UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 31, 2023

Core Scientific, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation) 001-40046 (Commission File Number) 86-1243837 (IRS Employer Identification No.)

210 Barton Springs Road, Suite 300 Austin, Texas (Address of principal executive offices)

78704 (Zip Code)

Registrant's telephone number, including area code: (512) 402-5233

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- □ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- □ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- □ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- □ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|--|----------------------|---|
| Common stock, par value \$0.0001 per share | CORZQ | * |
| Warrants, exercisable for shares of common stock | CRZWO | * |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ⊠

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

* The registrant's common stock and warrants began trading exclusively on the OTC Pink Marketplace on January 3, 2023 under the Symbols "CORZQ" and "CRZWQ," respectively.

As previously announced, on December 21, 2022, Core Scientific, Inc. (the "Company") and certain of its affiliates (collectively, the "Debtors") filed voluntary petitions (the "Chapter 11 Cases") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") seeking relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). The Debtors continue to operate their business and manage their properties as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. Additional information about the Chapter 11 Cases, including access to Court documents, is available online at cases.stretto.com/CoreScientific/, a website administered by Stretto, Inc., a third-party bankruptcy claims and noticing agent. The information on this web site is not incorporated by reference into, and does not constitute part of, this Form 8-K.

Item 7.01. Regulation FD Disclosure.

On October 31, 2023, the Debtors each filed with the Bankruptcy Court their monthly operating reports for the period beginning September 1, 2023 and ending September 30, 2023 (collectively, the "September Monthly Operating Reports"). The September Monthly Operating Reports are attached hereto, as Exhibits 99.1 through 99.11, and are incorporated herein by reference. This Current Report on Form 8-K (including the exhibits hereto) will not be deemed an admission as to the materiality of any information required to be disclosed solely by Regulation FD. The September Monthly Operating Reports and other filings with the Bankruptcy Court related to the Chapter 11 Cases may be available electronically at cases.stretto.com/CoreScientific/.

The information contained in this Item 7.01 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Cautionary Statement Regarding the September Monthly Operating Reports

The Company cautions investors and potential investors not to place undue reliance upon the information contained in the September Monthly Operating Reports, which were not prepared for the purpose of providing the basis for an investment decision relating to any of the securities of the Company. The September Monthly Operating Reports are limited in scope, cover a limited time period and have been prepared solely for the purpose of complying with the

monthly reporting requirements of the Bankruptcy Court. The September Monthly Operating Reports were not audited or reviewed by independent accountants, were not prepared in accordance with generally accepted accounting principles in the United States, are in a format prescribed by applicable bankruptcy laws or rules, and are subject to future adjustment and reconciliation. There can be no assurance that, from the perspective of an investor or potential investor in the Company's securities, the September Monthly Operating Reports are complete. The September Monthly Operating Reports also contain information for periods which are shorter or otherwise different from those required in the Company's reports pursuant to the Exchange Act, and such information might not be indicative of the Company's financial condition or operating results for the period that would be reflected in the Company's financial statements or in its reports pursuant to the Exchange Act. Results set forth in the September Monthly Operating Reports should not be viewed as indicative of future results.

Furthermore, this Form 8-K and/or the September Monthly Operating Reports may include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. The Company's actual results may differ materially from those anticipated in these forward-looking statements as a result of certain risks and other factors, which could include the following: risks and uncertainties relating to the Company's Chapter 11 Cases including but not limited to, the Company's ability to obtain Bankruptcy Court approval with respect to motions in its Chapter 11 Cases, successfully enter into and implement a restructuring plan, emerge from Chapter 11 and achieve significant cash flows from operations; the effects of the Chapter 11 Cases on the Company and on the interests of various constituents, Bankruptcy Court rulings in the Chapter 11 Cases and the outcome of the Chapter 11 Cases in general, the length of time the Company will operate under the Chapter 11 Cases, risks associated with any third-party motions in the Chapter 11 Cases, the potential adverse effects of the Chapter 11 Cases on the Company's liquidity or results of operations and increased legal and other professional costs necessary to execute the Company's reorganization; finalization and receipt of the replacement debtor-in-possession facility; satisfaction of any conditions to which the Company's debtor-in-possession financing is subject and the risk that these conditions may not be satisfied for various reasons, including for reasons outside of the Company's control; the consequences of the acceleration of the Company's debt obligations; the trading price and volatility of the Company's common stock and the risks related to trading on the OTC Pink Market; as well as other risk factors set forth in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-O filed with the Securities and Exchange Commission. These statements are provided for illustrative purposes only and are based on various assumptions, whether or not identified in this Current Report on Form 8-K, and on the current expectations of the Company's management. These forward-looking statements are not intended to serve, and must not be relied on by any investor, as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of the Company. These forward-looking statements are subject to a number of risks and uncertainties, including those identified in the Company's reports filed with the U.S. Securities & Exchange Commission, and if any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. Accordingly, undue reliance should not be placed upon the forward-looking statements.

| Item 9.01 | Financial Statements and Exhibits. |
|--------------|---|
| (d) Exhibits | |
| Exhibit No. | Exhibit |
| 99.1 | Core Scientific, Inc., Monthly Operating Report for the period ended September 30, 2023 |
| 99.2 | Core Scientific Mining LLC, Monthly Operating Report for the period ended September 30, 2023 |
| 99.3 | Core Scientific Operating Company, Monthly Operating Report for the period ended September 30, 2023 |
| 99.4 | Core Scientific Acquired Mining LLC, Monthly Operating Report for the period ended September 30, 2023 |
| 99.5 | Radar Relay, Inc., Monthly Operating Report for the period ended September 30, 2023 |
| 99.6 | Core Scientific Specialty Mining (Oklahoma) LLC, Monthly Operating Report for the period ended September 30, 2023 |
| 99.7 | American Property Acquisition, LLC, Monthly Operating Report for the period ended September 30, 2023 |
| 99.8 | Starboard Capital LLC, Monthly Operating Report for the period ended September 30, 2023 |
| 99.9 | RADAR LLC, Monthly Operating Report for the period ended September 30, 2023 |
| 99.10 | American Property Acquisitions I, LLC, Monthly Operating Report for the period ended September 30, 2023 |
| 99.11 | American Property Acquisitions VII, LLC, Monthly Operating Report for the period ended September 30, 2023 |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Core Scientific, Inc.

By: /s/ Todd M. DuChene

Date: October 31, 2023

Name: Todd M. DuChene

Title: Chief Legal Officer and Chief Administrative Officer

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

| In Re. Core Scientific, Inc. | § | Case No. 22-90341 | |
|--|------------------------|---|------------|
| P.1. | § § | Lead Case No. 22-90341 | |
| Debtor(s) | § | ■Jointly Administered | |
| Monthly Operating Report | | (| Chapter 11 |
| Reporting Period Ended: 09/30/2023 | | Petition Date: 12/21/2022 | |
| Months Pending: 9 | | Industry Classification: 3 3 4 1 | |
| Reporting Method: | Accrual Basis | Cash Basis □ | |
| Debtor's Full-Time Employees (current): | | 280 | |
| Debtor's Full-Time Employees (as of date of order for | relief): | 236 | |
| Supporting Documentation (check all that are attach | ed): | | |
| (For jointly administered debtors, any required schedu | les must be provided o | n a non-consolidated basis for each debtor) | |
| Statement of cash receipts and disbursements Balance sheet containing the summary and detai Statement of operations (profit or loss statement Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for Description of the assets sold or transferred and | the reporting period | | |
| Signature of Responsible Party | | Printed Name of Responsible Party | |
| 10/31/2023 | | | |
| Date | | 700 Louisiana Street, Suite 1700, Houston, Texas 77002 Address | |

 $STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. \\ \S 1320.4(a)(2) applies.$

| Debtor's Name Core Scientific, Inc. Case No. 22-9034 | | | | | |
|---|--|-----------------|--------------|------------------|--|
| Part | 1: Cash Receipts and Disbursements | C | urrent Month | Cumulative | |
| a. | Cash balance beginning of month | \$ | 21,805,654 | | |
| b. | Total receipts (net of transfers between accounts) | \$ | 1,903,915 | \$78,725,450 | |
| c. | Total disbursements (net of transfers between accounts) | \$ | 9,438,893 | \$24,425,839 | |
| d. | Cash balance end of month (a+b-c) | \$ | 14,270,676 | | |
| e. | Disbursements made by third party for the benefit of the estate | \$ | 0 | \$ 0 | |
| f. | Total disbursements for quarterly fee calculation (c+e) | \$ | 9,438,893 | \$24,425,839 | |
| | t 2: Asset and Liability Status | | | | |
| (Not | generally applicable to Individual Debtors. See Instructions.) Accounts receivable (total net of allowance) | | 466,233,865 | | |
| a. b. | Accounts receivable (total net of anowance) Accounts receivable over 90 days outstanding (net of allowance) | \$ | 0 | | |
| | Inventory (Book ⊠ Market □ Other □ (attach explanation)) | \$ | 0 | | |
| c. | Total current assets | | | | |
| d | Total assets | | ,329,521,017 | | |
| e. f. | Postpetition payables (excluding taxes) | \$2, | ,332,079,806 | | |
| | | \$ | 0 | | |
| g. | Postpetition payables past due (excluding taxes) | \$ | 0 | | |
| h. | Postpetition taxes payable | | | | |
| i. | Postpetition taxes past due | \$ | 0 | | |
| j. | Total postpetition debt (f+h) | \$ | 550 725 402 | | |
| k. | Prepetition secured debt | | 559,735,403 | | |
| 1. | Prepetition priority debt | \$ | 0 | | |
| m. | Prepetition unsecured debt | \$ | 0 | | |
| n. | Total liabilities (debt) (j+k+l+m) | | 559,735,403 | | |
| 0. | Ending equity/net worth (e-n) | \$1, | ,772,344,403 | | |
| Part | 3: Assets Sold or Transferred | C | urrent Month | Cumulative | |
| a. | Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ | 0 | \$ 0 | |
| b. | Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$ | 0 | \$ 0 | |
| c. | Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ | 0 | \$ 0 | |
| Part | 4: Income Statement (Statement of Operations) | | | | |
| (Not | generally applicable to Individual Debtors. See Instructions.) Gross income/sales (net of returns and allowances) | <u>C</u> \$ | urrent Month | Cumulative | |
| | Cost of goods sold (inclusive of depreciation, if applicable) | \$ | 0 | | |
| b. | | | | | |
| c. | Gross profit (a-b) | \$ | 0 | | |
| d. | Selling expenses | <u>\$</u> \$ | 0 | | |
| e. | General and administrative expenses | \$ | 0 | | |
| f. | Other expenses | <u> </u> | 0 | | |
| g. | Depreciation and/or amortization (not included in 4b) | \$ | 0 | | |
| h. | Interest The control of the December 1997 and 19 | \$ | 0 | | |
| 1. | Taxes (local, state, and federal) | \$ | 0 | | |
| j. | Reorganization items | \$ | 0 | Ф 01 77 2 | |
| k. | Profit (loss) | \$ | 0 | \$ 91,773 | |

| Pa | Part 5: Professional Fees and Expenses | | | | | | | |
|----|--|---------------------------------|-------------------------|----|-----------|-----------------------------|-----------------------|--------------------------|
| | | | | | Approved | Approved | Paid Current | Paid |
| a. | Debtor's professional fees & expenses (bankruptcy) Aggregate Total | | | S | 5,434,729 | Cumulative \$ 28,373,899 | Month \$ 5,583,023 | Cumulative \$ 28,161,162 |
| a. | | reakdown by Firm | l | Þ | 3,434,729 | \$ 20,373,099 | \$ 5,365,025 | \$ 20,101,102 |
| | Hemizea Bi | Firm Name | Role | | | | | |
| | i | Stretto, Inc | Other | \$ | 212,735 | \$ 829,007 | \$ 0 | \$ 616,272 |
| | ii | PJT Partners | Financial Professional | \$ | 283,499 | | | \$ 1,976,754 |
| | iii | Weil | Lead Counsel | \$ | | \$ 20,780,505 | | \$ 20,780,505 |
| | iv | AlixPartners LLP | Financial Professional | \$ | 269,960 | | | \$ 3,590,718 |
| | v | Scheef & Stone, LLP | Other | \$ | 10,323 | . , , | | |
| | vi | Deloitte Financial Advisory Ser | Financial Professional | \$ | 2.922 | | | |
| | vii | Deloitte Tax LLP | Financial Professional | \$ | 341,278 | | | \$ 1,014,004 |
| | viii | Delotte Tail EEF | T manetar i reressionar | Ψ | 3.1,270 | ψ 1,011,001 | ψ 3.11,270 | Ψ 1,011,001 |
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| | | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
|----|---------------|-------------------------------------|------------------------|------------------------------|------------------------|--------------------------|--------------------|
| b. | Debtor's pro | fessional fees & expenses (nonbankr | uptcy) Aggregate Total | | | | |
| | Itemized Bred | akdown by Firm | | | | | |
| | | Firm Name | Role | | | | |
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| | c | | | | | | |
| c. | c. All professional fees and expenses (debtor & committees) | | \$7,879,566 | \$37,015,139 | \$7,649,138 | \$36,423,680 | |

| Par | t 6: Postpetition Taxes | rent nth | Cu | mulative |
|-----|---|-------------|------|----------|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$ 0 | \$ | 0 |
| b. | Postpetition income taxes paid (local, state, and federal) | \$ 0 | \$ | 0 |
| c. | Postpetition employer payroll taxes accrued | \$ 0 | \$ 1 | 102,744 |
| d. | Postpetition employer payroll taxes paid | \$ 0 | \$ | 0 |
| e. | Postpetition property taxes paid | \$ 0 | \$ | 0 |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$ 0 | \$ | 0 |
| g. | Postpetition other taxes paid (local, state, and federal) | \$ 0 | \$ | 0 |

| a. | Were any payments made on prepetition debt? (if yes, see Instructions) | Yes \square | No ⊠ | | |
|----|---|---------------|------|---------------|---------------------------|
| b. | Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| c. | Were any payments made to or on behalf of insiders? | Yes □ | No ⊠ | | |
| d. | Are you current on postpetition tax return filings? | Yes □ | No ⊠ | | |
| e. | Are you current on postpetition estimated tax payments? | Yes ⋈ | No □ | | |
| f. | Were all trust fund taxes remitted on a current basis? | Yes ⊠ | No □ | | |
| g. | Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| ĥ. | Were all payments made to or on behalf of professionals approved by the court? | Yes ⊠ | No □ | N/A □ | |
| i. | Do you have: Worker's compensation insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | N/A □ | (if no, see Instructions) |
| | Casualty/property insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⋈ | No □ | N/A □ | (if no, see Instructions) |
| | General liability insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ | (if no, see Instructions) |
| j. | Has a plan of reorganization been filed with the court? | Yes ⋈ | No □ | | |
| k. | Has a disclosure statement been filed with the court? | Yes ⊠ | No □ | | |
| 1. | Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? | Yes ⊠ | No □ | | |

| | otor o rame core gordine, me. | Cube 110 | . 22 / 05 . 1 | |
|-----|---|----------|---------------|-----------------|
| Par | t 8: Individual Chapter 11 Debtors (Only) | | | |
| a. | Gross income (receipts) from salary and wages | \$ | 0 | |
| b. | Gross income (receipts) from self-employment | \$ | 0 | |
| c. | Gross income from all other sources | \$ | 0 | |
| d. | Total income in the reporting period (a+b+c) | \$ | 0 | |
| e. | Payroll deductions | \$ | 0 | |
| f. | Self-employment related expenses | \$ | 0 | |
| g. | Living expenses | \$ | 0 | |
| h. | All other expenses | \$ | 0 | |
| i. | Total expenses in the reporting period (e+f+g+h) | \$ | 0 | |
| j. | Difference between total income and total expenses (d-i) | \$ | 0 | |
| k. | List the total amount of all postpetition debts that are past due | \$ | 0 | |
| 1. | Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes □ | No ⊠ | |
| m. | If yes, have you made all Domestic Support Obligation payments? | Yes □ | No □ | $N/A \boxtimes$ |

Debtor's Name Core Scientific Inc.

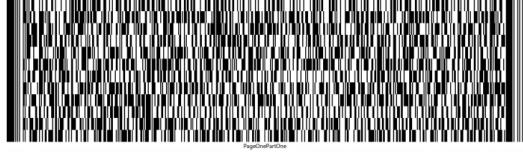
Case No. 22-90341

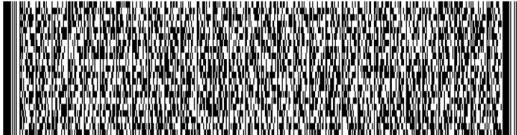
Privacy Act Statement

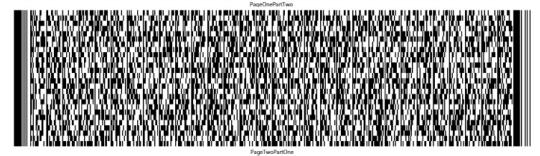
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

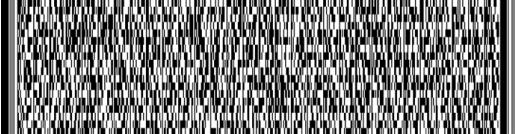
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

| /s/ Michael Bros | Michael Bros |
|---------------------------------------|-----------------------------------|
| Signature of Responsible Party | Printed Name of Responsible Party |
| SVP, Capital Markets and Acquisitions | 10/31/2023 |
| Title | Date |

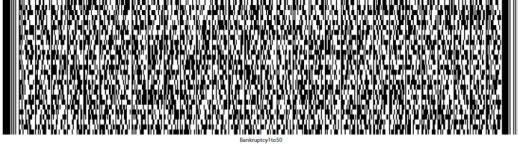


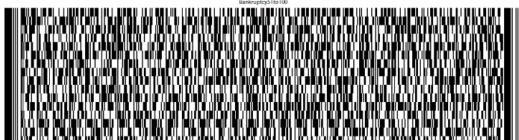


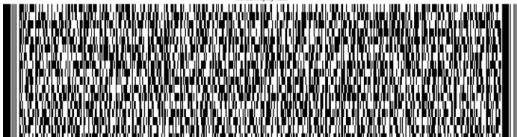




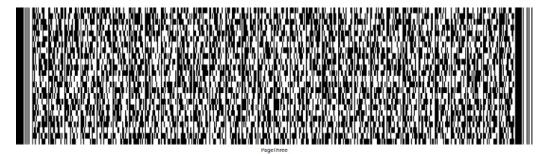
PageTwoPartTwo

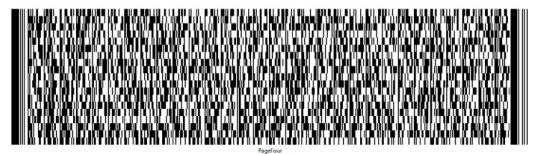






NonBankruptcv51to100





12

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

| In re: | § Chapter 11 |
|--------------------------------|--------------------------|
| | § |
| CORE SCIENTIFIC, INC., et al., | § Case No. 22-90341(CML) |
| | § |
| Debtors. ¹ | § (Jointly Administered) |

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave, Suite E-101, Austin, TX 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

MOR-1: 9/1/2023 - 9/30/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

| Description | Core Scientific, | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Total |
|---|------------------|---|---|----------------------|----------------------------|--|---|--------------------------|--|--|--|---------------|
| Receipts | | | | | | | | | | | | |
| Operating Sales Proceeds | 1,903,870 | 2,238,422 | 23,412,610 | _ | _ | _ | _ | _ | _ | _ | _ | 27,554,903 |
| Bitmain Coupon Sales | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Other Receipts | 45 | | 9,796,058 | | | | | | | | | 9,796,103 |
| Total Receipts | 1,903,915 | 2,238,422 | 33,208,669 | _ | _ | _ | _ | _ | _ | _ | _ | 37,351,006 |
| Disbursements | | | | | | | | | | | | |
| Suppliers or vendors Taxes / | 1,789,755 | 1,988,941 | 20,803,184 | _ | _ | _ | _ | _ | _ | _ | _ | 24,581,881 |
| Governmen | tal — | 496 | 5,188 | _ | _ | _ | _ | _ | _ | _ | _ | 5,684 |
| Services | 7,649,138 | 130,530 | 1,365,265 | _ | _ | _ | _ | _ | _ | _ | _ | 9,144,933 |
| Financial / Bank Fees Employee | | 7,856 | 82,168 | | | | | | | _ | | 90,024 |
| Expense | | 304,078 | 3,180,477 | | | | | | | | | 3,484,554 |
| Total Disbursements | 9,438,893 | 2,431,900 | 25,436,282 | | _ | _ | | | _ | _ | _ | 37,307,075 |
| Net Cash Flow | | | | | | | | | | | | 202,710,006 |
| (excl. Internal Transfers) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| Cash Balance | | | | | | | | | | | | |
| Beginning of Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Disbursement Allocation | | 2,431,900 | (2,431,900) | . – | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash Balance End of Month (excl. Internal | | | | | | | | | | | | |
| Transfers) | 14,270,676 | 2,380,320 | 47,292,079 | | | | | | | | | 63,943,075 |
| Bank Cash Balance Beginning | | | | | | | | | | | | |
| of Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow (excl. Internal Transfers; w/ | | | | | | | | | | | | |
| Allocation) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| MOR Part 1 d. Cash | | | | | | | | | | | | |
| Balance | \$ 14,270,676 | \$ (51,580) | \$ 49,723,979 | s – | s — | s — | s — | s — | s — | s – | s – | \$ 63,943,075 |
| Reversing Disburseme Allocation | | | | | | <u>-</u> | | | | <u>-</u> | | |
| Internal | | 2,431,900 | (2,431,900) | | _ | _ | _ | | _ | _ | | _ |
| Transfers Cash | 8,485,968 | (2,185,000) | (6,300,968) | _ | _ | _ | _ | | _ | _ | _ | _ |
| Balance End of Month | \$ 22,756,644 | <u>\$ 195,320</u> | \$ 40,991,111 | <u>s – </u> | <u>s</u> | <u>s</u> | <u>s — </u> | <u>s – </u> | <u>s </u> | <u>s – </u> | <u>s</u> | \$ 63,943,075 |

| | Core Scientific, | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Elimination Co |
|--|--------------------------|--|--|----------------------------|-------------------------------------|--|---|--------------------------|--------------|---|--|----------------------------|
| (dollars in thousands) | | | | | | | | | | | | |
| ASSETS Cash and | | | | | | | | | | | | |
| Equivalents | 1,764,468 | 195,320 | 40,186,086 | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Restricted Cash Total Cash | 20,992,176 22,756,644 | 195,320 | 805,024 40,991,110 | | | | | | | | | |
| Accounts receivable, net of allowance | | 193,320 — | 1,109,073 | _ | | _ | _ | | | _ | _ | _ |
| Accounts receivable from related parties | 466,233,865 | 153,152,561 | (472,397,274) | 1,160,033 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) |
| Deposits for equipment Digital currency | | | | | _ | _ | _ | _ | _ | _ | _ | _ |
| assets | _ | _ | 559,280 | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Prepaid expenses and other Total other current | _ | 22,598,120 | 27,041,221 | _ | _ | | _ | | _ | _ | | (22,593,530) |
| assets | 1,840,530,509 | (1,128,185,364) | (706,365,615) | 12,734 | | | | | | | | |
| Total Current Assets | 2,329,521,017 | (952,239,363) | (1,109,062,205) | 1,172,767 | _ | _ | | _ | _ | _ | _ | (170,742,714) |
| Property, plant and equipment Operating | _ | 43,553,074 | 521,053,333 | _ | _ | _ | _ | _ | _ | _ | _ | (15,616,704) 5 |
| lease-right-of-use assets | _ | _ | 6,583,247 | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Goodwill | _ | 232,587,379 | (167,058,249) | (65,529,130) | _ | _ | _ | _ | _ | _ | _ | _ |
| Intangible assets, net | _ | _ | 2,447,508 | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Other noncurrent assets | 2,558,789 | (0) | 46,232,768 | | | | | | | | | |
| Total Assets | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | | | | | | | | (186,359,418) |
| LIABILITIES, PREFERRED STOCK & EQUITY | | | | | | | | | | | | |
| Accounts Payable | _ | 148,157,171 | 78,794,824 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) |
| Accrued expenses and other Deferred revenue | 199,366 | 18,136,331 | 54,733,437 101,652,116 | = | = | = | _ | = | _ | _ | = | (38,481,727) |
| Derivative warrant liabilities Operating lease | _ | _ | · – | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| liabilities, current portion | _ | _ | 204,516 | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Financing lease liabilities, current portion | _ | _ | 19,832,575 | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Long-term debt, current portion | (559,901,857) | | 723,122,505 | | | | | | | | | 1 |
| Total current | (339,901,637) | | 723,122,303 | | | | | | | | | |
| liabilities Operating lease liabilities, net of | (559,702,491) | 166,293,502 | 978,339,973 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (186,630,911) 3 |
| current portion Financing lease liabilities, net of | _ | _ | 1,046,649 | | | | | _ | | _ | _ | _ |
| current portion Long-term debt, net | _ | _ | 35,908,670 | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| of current portion Other noncurrent | | _ | 113,884,055 | | _ | | | | _ | _ | | — · |
| liabilities Total Liabilities | 8,555,659 | 18,084,856 184,378,359 | (14,337,349) 1,114,841,999 | (2,587,769) (2,586,019) | | | | | | | | <u>—</u> (186,630,911) 1,1 |
| Pre-Petition Subject to Compromise | 684,395,370 | _ | (684,395,370) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Total Pre-Petition Subject to | COA 205 250 | | ((04 205 250) | | | | | | | | | |
| Preferred stock | 684,395,370 | | (684,395,370) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Common stock Additional paid-in | 37,478 | _ | _ | _ | | _ | _ | _ | | _ | _ | _ |
| capital Accumulated | 1,818,873,138 | (15,979,141) | 2,887,621 | _ | _ | _ | _ | _ | _ | _ | _ | - 1,8 |
| deficit Other Comprehensive | (179,781,838) | (844,545,110) | (1,133,137,849) | (61,770,345) | _ | _ | _ | _ | _ | | _ | 318,476 (2,2 |
| Income Cumulative | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Translation Adjustment | _ | 46,983 | _ | _ | _ | _ | _ | _ | _ | _ | _ | (46,983) |
| Total Equity | 1,639,128,778 | | (1,130,250,228) | (61,770,345) | | | | | | | | 271,494 (4 |
| Total Liabilities, Preferred Stock & Equity | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | _ | _ | _ | _ | _ | _ | _ | (186,359,418) 7 |

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC |
|--|-----------------------------|---|--|---------------------|----------------------------------|---|---|--------------------------|-----------|--|--|
| Total Revenue | | | | | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | | | | |
| (dollars in thousands) | | | | | | | | | | | |
| Hosting revenue | | | | | | | | | | | |
| from customers | | | 8,954,530 | | | | | | | | |
| Hosting revenue | _ | _ | 6,934,330 | _ | _ | _ | _ | _ | _ | _ | _ |
| from related | | | 2 544 525 | | | | | | | | |
| parties Equipment sales | | | 2,544,537 | | _ | _ | _ | _ | _ | | _ |
| to customers | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to related | | | | | | | | | | | |
| parties | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Digital asset mining income | _ | 2,160,518 | 23,285,302 | _ | _ | _ | _ | _ | _ | _ | _ |
| Network services | | ,, | -,, | | | | | | | | |
| and defi revenue | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Total Revenue | | 2,160,518 | 34,784,369 | | | | | | | | |
| Cost of revenue | | | (28,856,998) | | | | | | | | |
| Gross Profit | | 2,160,518 | 5,927,371 | | | | | | | | |
| Gain (loss) on legal settlements | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Gain (loss) from | | | | | | | | | | | |
| sales of digital currency assets | _ | 1,616 | 178,047 | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairments of | | 1,010 | 170,017 | | | | | | | | |
| digital currency assets | | (10,893) | (163,462) | | | | | | | | |
| Impairment of | | (10,073) | (105,402) | | | | | | | | |
| goodwill and other | | | | | | | | | | | |
| intangibles | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of | | | | | | | | | | | |
| property, plant and equipment | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Losses on | | | | | | | | | | | |
| exchange or disposal of | | | | | | | | | | | |
| property, plant | | | (220 50 0 | | | | | | | | |
| and equipment Operating expenses: | | _ | (339,504) | | | _ | _ | | _ | | _ |
| Research and | | | | | | | | | | | |
| development Sales and | _ | _ | (603,750) | _ | _ | _ | _ | _ | _ | _ | _ |
| marketing | _ | _ | (301,036) | _ | _ | _ | _ | _ | _ | _ | _ |
| General and | | (2.5(7) | | | | | | | | | |
| administrative Advisor Fees | | (2,567) | (6,261,136) | | | _ | _ | | _ | | _ |
| Total operating | | | | | | | | | | | |
| expenses Operating Income | | (2,567) | (7,165,923) | | | | | | | | |
| (Loss) | _ | 2,148,674 | (1,563,471) | _ | _ | _ | _ | _ | _ | _ | _ |
| Non-operating income | | | | | | | | | | | |
| (expense), net: Loss on debt | | | | | | | | | | | |
| extinguishment | _ | _ | 373,495 | _ | _ | _ | _ | _ | _ | | _ |
| Interest expense, net | _ | _ | (210,753) | _ | _ | _ | _ | _ | _ | _ | _ |
| Other | | | | | | | | | | | |
| non-operating expenses, net | _ | _ | 741,000 | _ | _ | _ | _ | _ | _ | _ | _ |
| Reorganization | | | | | | | | | | | |
| items Total Non-operating | | | (1,750,139) | | | | | | | | |
| income (expense), net: | | | (846,397) | | | | | | | | |
| Income (loss) before | | 2.140.75 | | | | | | | | | |
| income taxes Income tax | _ | 2,148,674 | (2,409,868) | _ | _ | _ | _ | _ | _ | _ | _ |
| expense | | | (113,769) | | | | | | | | |
| Net Income (Loss) | | 2,148,674 | (2,523,637) | | | | | | | | |

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

| | In Re. Core Scientific Mining LLC | § | Case No. 22-90340 | Case No. 22-90340 | | | | | | |
|-------|--|-------------------------|--|-------------------|---|------|-------|--|--|--|
| | | | Lead Case No. 22-90341 | | | | | | | |
| | Debtor(s) | § | □ Jointly Administered | | | | | | | |
| Mo | onthly Operating Report | | | | С | hapt | er 11 | | | |
| Rep | porting Period Ended: 09/30/2023 | | Petition Date: 12/21/2022 | | | | | | | |
| Mo | nths Pending: 9 | | Industry Classification: | 3 | 3 | 4 | 1 | | | |
| Rep | porting Method: | Accrual Basis ⋈ | Cash Basis □ | | | | | | | |
| Del | otor's Full-Time Employees (current): | | 0 | | | | | | | |
| Del | btor's Full-Time Employees (as of date of order for | r relief): | 0 | | | | | | | |
| Sur | pporting Documentation (check all that are attack | hed). | | | | | | | | |
| • | r jointly administered debtors, any required sched | , | -consolidated basis for each debtor) | | | | | | | |
| | Statement of cash receipts and disbursements Balance sheet containing the summary and deta Statement of operations (profit or loss statemen Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for Description of the assets sold or transferred and | or the reporting period | | | | | | | | |
| /s/ / | Alfredo R. Pérez | Alf | redo R. Pérez | | | | | | | |
| Sig | nature of Responsible Party | Pri | nted Name of Responsible Party | | | | | | | |
| 10/ | 31/2023 | | | | | | | | | |
| Dat | e | | D Louisiana Street, Suite 1700, Houston, Texas 7'dress | 7002 | | | | | | |

 $STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. \S \ 1320.4(a)(2)$ applies.

| a. Cash balance beginning of month b. Total receipts (net of transfers between accounts) S 0 | \$ 0 \$ 0 |
|--|--------------|
| · · · · · · · · · · · · · · · · · · · | |
| T-4.1 II.1 | 0 0 |
| c. Total disbursements (net of transfers between accounts) \$ 0 | \$ 0 |
| d. Cash balance end of month (a+b-c) \$ 0 | |
| e. Disbursements made by third party for the benefit of the estate | \$ 0 |
| f. Total disbursements for quarterly fee calculation (c+e) | \$ 0 |
| Part 2: Asset and Liability Status | |
| (Not generally applicable to Individual Debtors. See Instructions.) a. Accounts receivable (total net of allowance) S O | |
| b. Accounts receivable over 90 days outstanding (net of allowance) | |
| | |
| c. Inventory (Book Market Other (attach explanation)) d Total current assets \$ 0 | |
| | |
| e. Total assets S 0 f. Postpetition payables (excluding taxes) \$ 0 | |
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| · · · · · · · · · · · · · · · · · · · | |
| 1. Prepetition priority debt \$ 0 m. Prepetition unsecured debt \$ 0 | |
| | |
| n. Total liabilities (debt) (j+k+l+m) | |
| o. Ending equity/net worth (e-n) <u>\$ 0</u> | |
| Part 3: Assets Sold or Transferred Current Month | Cumulative |
| a. Total cash sales price for assets sold/transferred outside the ordinary course of business \$ 0 | \$ 0 |
| b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business \$ 0 | \$ 0 |
| c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ 0 |
| Part 4: Income Statement (Statement of Operations) | |
| (Not generally applicable to Individual Debtors. See Instructions.) Current Month | Cumulative |
| a. Gross income/sales (net of returns and allowances) \$ 0 | |
| b. Cost of goods sold (inclusive of depreciation, if applicable) \$ 0 | |
| c. Gross profit (a-b) \$ 0 | |
| d. Selling expenses \$ 0 | |
| e. General and administrative expenses \$ 0 | |
| f. Other expenses \$ 0 | |
| g. Depreciation and/or amortization (not included in 4b) \$ 0 | |
| h. Interest \$ 0 | |
| i. Taxes (local, state, and federal) \$ 0 | |
| j. Reorganization items \$ 0 | |
| k. Profit (loss) <u>\$ 0</u> | \$ 0 |

| Part | 5: Professio | onal Fees and Expenses | | | | | |
|------|--------------|--------------------------------|------------------------------|---------------------------|------------------------|-----------------------|--------------------|
| | | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
| a. | Debtor's | s professional fees & expenses | (bankruptcy) Aggregate Total | | | | |
| | Itemizea | l Breakdown by Firm | | | | | |
| | | Firm Name | Role | | | | |
| | i | | | | | | |
| | ii | | | | | | |
| | iii | | | | | | |
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| | | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
|----|----------------------------|--------------------------------|---------------------------|---------------------------|------------------------|-----------------------|-----------------|
| b. | Debtor's Total | s professional fees & expenses | (nonbankruptcy) Aggregate | | | | |
| | Itemized Breakdown by Firm | | | | | | |
| | | Firm Name | Role | | | | |
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| Exii | | | | | |
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| Exxi Exxii Exxiii Exxiii Exxiii Exxiii Exxiii Exxiv Exxv Exxv Exxvii Exxviii Exxiii Exxiii Exxiii Exxxii | | | | | |
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| Ixxv | | | | | |
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| | lxxvi | | | | |
| Ixxix | lxxvii | | | | |
| Xxx | lxxviii | | | | |
| | lxxix | | | | |
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| | lxxxi | | | | |
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| Ixxxv | | | | | |
| Ixxxv | lxxxiv | | | | |
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| XXXVII | | | | | |
| Ixxxviii | | | | | |
| Xxxix Xc Xc Xci Xcii Xciii Xciii Xciii Xciii Xciii Xciv Xcv Xcvi Xcvi Xcvi Xcvi Xcvii Xcvii Xciii Xciv Xcvii Xcvii | | | | | |
| xc xci xcii xciii xciii xciv xcv xcvi xcvii | | | | | |
| xci | | | | | |
| xcii | | | | | |
| xciii xciv xcv xcvi xcviii | | | | | |
| xciv xcv xcvi xcvii | | | | | |
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|----|-----------|----------------------------------|------------------|-----|-----|-----|-----|
| | c | | | | | | |
| c. | All profe | ssional fees and expenses (debto | or & committees) | \$0 | \$0 | \$0 | \$0 |

| Part 6: I | Postpetition Taxes | Current Month | Cumulative |
|-----------|---|---------------|------------|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$0 | \$0 |
| b. | Postpetition income taxes paid (local, state, and federal) | \$0 | \$0 |
| c. | Postpetition employer payroll taxes accrued | \$0 | \$0 |
| d. | Postpetition employer payroll taxes paid | \$0 | \$0 |
| e. | Postpetition property taxes paid | \$0 | \$0 |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$0 | \$0 |
| g. | Postpetition other taxes paid (local, state, and federal) | \$0 | \$0 |

| a. | Questionnaire - During this reporting Were any payments made on | prepetition debt? (if yes, see Instructions) | Yes □ | No ⊠ | | |
|----|---|---|---------|------|----------------|---------------------------|
| b. | Were any payments made out court approval? (if yes, see Ir | t Yes □ | No ⊠ | | | |
| c. | Were any payments made to | or on behalf of insiders? | Yes □ | No ⊠ | | |
| d. | Are you current on postpetition | on tax return filings? | Yes ⊠ | No □ | | |
| e. | Are you current on postpetition | on estimated tax payments? | Yes ⊠ | No □ | | |
| f. | Were all trust fund taxes rem | itted on a current basis? | Yes ⊠ | No □ | | |
| g. | Was there any postpetition bo Instructions) | prrowing, other than trade credit? (if yes, see | e Yes □ | No ⊠ | | |
| h. | Were all payments made to o court? | r on behalf of professionals approved by the | Yes □ | No □ | N/A ⊠ | |
| i. | Do you have: | Worker's compensation insurance? | Yes ⊠ | No □ | | |
| | | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A\;\square$ | (if no, see Instructions) |
| | | Casualty/property insurance? | Yes ⊠ | No □ | | |
| | | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A\;\square$ | (if no, see Instructions) |
| | | General liability insurance? | Yes ⊠ | No □ | | |
| | | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A\;\square$ | (if no, see Instructions) |
| j. | Has a plan of reorganization | been filed with the court? | Yes ⊠ | No □ | | |
| k. | Has a disclosure statement be | een filed with the court? | Yes ⊠ | No □ | | |
| 1. | Are you current with quarterl U.S.C. § 1930? | y U.S. Trustee fees as set forth under 28 | Yes ⊠ | No □ | | |

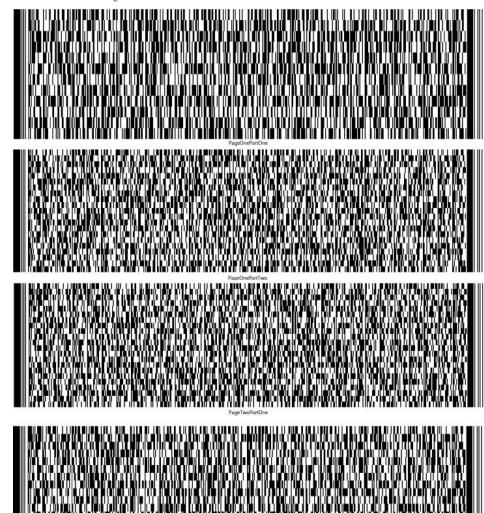
| De | otor's Name Core Scientific Mining LLC | Case No. 22-90340 |
|----------|---|---|
| Par | 8: Individual Chapter 11 Debtors (Only) | |
| a. | Gross income (receipts) from salary and wages | \$ 0 |
| b. | Gross income (receipts) from self-employment | \$ 0 |
| c. | Gross income from all other sources | \$ 0 |
| d. | Total income in the reporting period (a+b+c) | \$ 0 |
| e. | Payroll deductions | \$ 0 |
| f. | Self-employment related expenses | \$ 0 |
| g. | Living expenses | \$ 0 |
| h. | All other expenses | \$ 0 |
| i. | Total expenses in the reporting period (e+f+g+h) | \$ 0 |
| j. | Difference between total income and total expenses (d-i) | \$ 0 |
| k. | List the total amount of all postpetition debts that are past due | \$ 0 |
| l. m. | Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? If yes, have you made all Domestic Support Obligation payments? | $Yes \square No \boxtimes Yes \square No \square N/A \boxtimes$ |

Privacy Act Statement

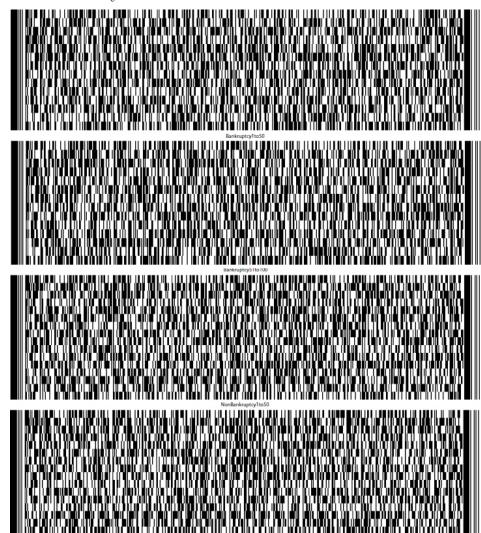
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. § 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

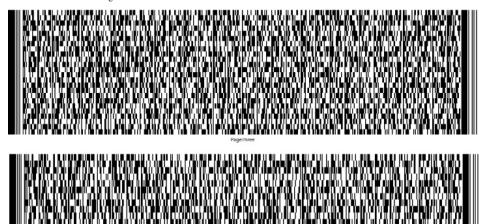
<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

| /s/ Michael Bros | Michael Bros |
|---------------------------------------|-----------------------------------|
| Signature of Responsible Party | Printed Name of Responsible Party |
| SVP, Capital Markets and Acquisitions | 10/31/2023 |
| Title | Date |



Page Two Part Two





12

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

| In re: | § | Chapter 11 |
|--------------------------------|----------|-------------------------|
| | § | |
| CORE SCIENTIFIC, INC., et al., | § | Case No. 22-90341 (CML) |
| | § | |
| Debtors. ¹ | § | (Jointly Administered) |

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

1. <u>Introduction</u>. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Sarboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave. Suite E-101. Austin. TX 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisitions, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. Currency. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

MOR-1: 9/1/2023 - 9/30/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

| Description | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Total |
|----------------------------------|--------------------------|---|---|----------------------|-------------------------------|--|---|--------------------------|-----------|--|--|---------------------------|
| Receipts Operating | | | | | | | | | | | | |
| Sales | | | | | | | | | | | | |
| Proceeds | 1,903,870 | 2,238,422 | 23,412,610 | _ | _ | _ | _ | _ | _ | _ | _ | 27,554,903 |
| Bitmain | 1,705,070 | 2,230,122 | 23,112,010 | | | | | | | | | 27,001,500 |
| Coupon | | | | | | | | | | | | |
| Sales | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Other | | | | | | | | | | | | |
| Receipts | 45 | | 9,796,058 | | | | | | | | | 9,796,103 |
| Total Receipts | 1,903,915 | 2,238,422 | 33,208,669 | _ | _ | _ | _ | _ | _ | _ | _ | 37,351,006 |
| Disbursements | | | | | | | | | | | | |
| Suppliers or vendors | 1,789,755 | 1,988,941 | 20,803,184 | | | | | | | | | 24,581,881 |
| Taxes / | 1,769,733 | 1,900,941 | 20,003,104 | _ | _ | _ | _ | _ | _ | _ | _ | 24,501,001 |
| Government | tal — | 496 | 5,188 | _ | _ | _ | _ | _ | _ | _ | _ | 5,684 |
| Services | 7,649,138 | 130,530 | 1,365,265 | _ | _ | _ | _ | _ | _ | _ | _ | 9,144,933 |
| Financial / | | | | | | | | | | | | |
| Bank Fees | _ | 7,856 | 82,168 | _ | _ | _ | _ | _ | _ | _ | _ | 90,024 |
| Employee | | | | | | | | | | | | |
| Expense | | 304,078 | 3,180,477 | | | | | | | | | 3,484,554 |
| Total | 0.420.002 | 2 421 000 | 25 427 202 | | | | | | | | | 25 205 055 |
| Disbursements | 9,438,893 | 2,431,900 | 25,436,282 | | | _ | | | _ | _ | | 37,307,075 202,710,006 |
| Not Cook Floor | | | | | | | | | | | | 202,/10,006 |
| Net Cash Flow (excl. Internal | | | | | | | | | | | | |
| Transfers) | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Cash Balance | (7,004,770) | (1/3,4/0) | 7,772,567 | | | | | | | | | 45,751 |
| Beginning | | | | | | | | | | | | |
| of Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash | | | | | | | | | | | | |
| Flow | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Disbursement | | | | | | | | | | | | |
| Allocation | _ | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash Balance End of | | | | | | | | | | | | |
| Month | | | | | | | | | | | | |
| (excl. | | | | | | | | | | | | |
| Înternal | | | | | | | | | | | | |
| Transfers) | 14,270,676 | 2,380,320 | 47,292,079 | _ | _ | _ | _ | _ | _ | _ | _ | 63,943,075 |
| Bank Cash | | | | | | | | | | | | |
| Balance | | | | | | | | | | | | |
| Beginning of Month | 21 005 (54 | 141,898 | 41,951,592 | | | | | | | | | 63,899,144 |
| Net Cash | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 65,899,144 |
| Flow (excl. | | | | | | | | | | | | |
| Internal | | | | | | | | | | | | |
| Transfers; | | | | | | | | | | | | |
| w/ | | | | | | | | | | | | |
| Allocation) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| MOR Part 1 | | | | | | | | | | | | |
| d. Cash | 6 14 270 (7) | 6 (51.500) | 6 40 733 070 | 6 | 6 | | e | e | e | | | 6 (2 042 075 |
| Balance | \$ 14,270,676 | \$ (51,580) | \$ 49,723,979 | <u>s — </u> | <u>s — </u> | <u>s – </u> | <u>s — </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | \$ 63,943,075 |
| Reversing Disburseme | nt | | | | | | | | | | | |
| Allocation | | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Internal | | 2, 131,700 | (2, 131,700) | | | | | | | | | |
| Transfers | 8,485,968 | (2,185,000) | (6,300,968) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash | | | | | | | | | | | | |
| Balance | | | | | | | | | | | | |
| End of | \$ 22,756,644 | \$ 195,320 | \$ 40,991,111 | • | • | • | • | • | • | • | • | \$ 63,943,075 |
| Month | g 22,/30,044 | \$ 195,320 | \$ 40,991,111 | <u>s — </u> | <u> </u> | <u> </u> | | | <u> </u> | | | 3 03,743,073 |
| | | | | | | | | | | | | |

MOR-2: End of September 2023 Balance Sheet

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Eliminati |
|---|--------------------------|---|---|----------------------------|-------------------------------|--|---|--------------------------|-----------|--|---|-----------|
| (dollars in | | | | | | | | | | | | |
| thousands) ASSETS | | | | | | | | | | | | |
| Cash and | 1.764.460 | 105 220 | 40.106.006 | | | | | | | | | |
| Equivalents Restricted Cash | 1,764,468 20,992,176 | 195,320 | 40,186,086 805,024 | | | | _ | _ | | | | |
| Total Cash | 22,756,644 | 195,320 | 40,991,110 | | | | | | | | | |
| Accounts receivable, net of allowance | _ | _ | 1,109,073 | _ | _ | _ | _ | _ | _ | _ | _ | |
| Accounts receivable from related parties | 466,233,865 | 153,152,561 | (472,397,274) | 1,160,033 | _ | _ | _ | _ | _ | _ | _ | (148,14 |
| Deposits for equipment | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Digital currency | | | | | | | | | | | | |
| assets Prepaid expenses | | | 559,280 | | _ | _ | _ | | | _ | _ | |
| and other | _ | 22,598,120 | 27,041,221 | _ | _ | _ | _ | _ | _ | _ | _ | (22,59 |
| Total other current assets | 1,840,530,509 | (1,128,185,364) | (706,365,615) | 12,734 | _ | _ | _ | _ | _ | _ | _ | |
| Total Current | 2 220 521 015 | | | | | | | | | | | (170.7 |
| Assets Property, plant and | 2,329,521,017 | | (1,109,062,205) | 1,172,767 | _ | _ | _ | _ | _ | _ | _ | (170,74 |
| equipment | | 43,553,074 | 521,053,333 | _ | | | _ | _ | | | | (15,6 |
| Operating lease-right-of-use | | | | | | | | | | | | |
| assets Goodwill | _ | 232,587,379 | 6,583,247 (167,058,249) | (65,529,130) | _ | _ | _ | _ | _ | _ | _ | |
| Intangible assets, | | 232,361,319 | | (03,329,130) | | | | _ | _ | | _ | |
| net Other noncurrent | _ | _ | 2,447,508 | _ | _ | _ | _ | _ | _ | _ | _ | |
| assets | 2,558,789 | (0) | 46,232,768 | | | | | | | | | |
| Total Assets | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | | | | | | | | (186,3: |
| LIABILITIES, PREFERRED | | | | | | | | | | | | |
| STOCK & EQUITY | | 148,157,171 | 78,794,824 | 1,750 | | | | | | | | (148,14 |
| Accounts Payable Accrued expenses | | | | 1,730 | _ | _ | _ | _ | _ | _ | _ | (140,14 |
| and other Deferred revenue | 199,366 | 18,136,331 | 54,733,437 101,652,116 | | | _ | | _ | | | _ | (38,48 |
| Derivative warrant | | | 101,032,110 | | | | | | | | | (30,40 |
| liabilities Operating lease | | | | _ | | _ | _ | _ | _ | | | |
| liabilities, current | | | **** | | | | | | | | | |
| portion Financing lease | _ | _ | 204,516 | _ | _ | _ | _ | _ | _ | _ | _ | |
| liabilities, current | | | 19,832,575 | | | | | | | | | |
| portion Long-term debt, | | | | | | | _ | _ | _ | | | |
| current portion Total current | (559,901,857) | | 723,122,505 | | | | | | | | | |
| liabilities Operating lease liabilities, net of | (559,702,491) | 166,293,502 | 978,339,973 | 1,750 | _ | | _ | | _ | _ | _ | (186,6. |
| current portion | _ | _ | 1,046,649 | _ | _ | _ | _ | _ | _ | _ | _ | |
| Financing lease liabilities, net of | | | | | | | | | | | | |
| current portion | _ | _ | 35,908,670 | _ | _ | _ | _ | _ | _ | _ | _ | |
| Long-term debt, net of current portion | 568,258,150 | _ | 113,884,055 | _ | _ | _ | _ | _ | _ | _ | _ | |
| Other noncurrent | | 10 004 056 | (14,337,349) | (2 597 760) | | | | | | | | |
| liabilities Total Liabilities | 8,555,659 | 18,084,856 184,378,359 | 1,114,841,999 | (2,587,769) (2,586,019) | | | | | | | | (186,6. |
| Pre-Petition Subject | | , | | (),, | | | | | | | | (,-, |
| to Compromise Total Pre-Petition | 684,395,370 | | (684,395,370) | | | | | | | | | |
| Subject to | 684,395,370 | | (684,395,370) | | | | | | | | | |
| Compromise Preferred stock | _ | _ | (684,395,370) | _ | _ | _ | | | _ | _ | _ | |
| Common stock Additional paid-in | 37,478 | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| capital | 1,818,873,138 | (15,979,141) | 2,887,621 | _ | _ | | _ | | _ | _ | | |
| Accumulated deficit | (179,781,838) | | (1,133,137,849) | (61,770,345) | _ | _ | _ | _ | _ | _ | _ | 31 |
| Other Comprehensive | ,,,,,,,,,,,, | (,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | (,, 10) | | | | | | | | |
| Income Cumulative Translation | _ | | _ | _ | | _ | _ | _ | | | | |
| Adjustment | 1 630 130 770 | 46,983 | (1.120.250.220) | (61 770 245) | | | | | | | | (4 |
| Total Equity Total Liabilities, Preferred Stock & | 1,639,128,778 | (860,477,269) | (1,130,250,228) | (61,770,345) | | | | | | | | 2 |
| Equity | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | _ | _ | _ | _ | _ | _ | _ | (186,3 |

¹ The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

| MOR-3. 7/1/2023 - 7/3/ | 0/2025 110Ht & L | 1033 | | | | | | | | | |
|-------------------------------------|--------------------------|---|---|---------------------|----------------------------------|--|---|--------------------------|--------------|--|--|
| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC |
| Total Revenue | | | | | | | | | | | |
| (dollars in | | | | | | | | | | | |
| thousands) Hosting revenue | | | | | | | | | | | |
| from | | | | | | | | | | | |
| customers | _ | _ | 8,954,530 | _ | _ | _ | _ | _ | _ | _ | _ |
| Hosting revenue | | | | | | | | | | | |
| from related parties | | | 2,544,537 | | | | | | | | |
| Equipment sales | _ | _ | 2,344,337 | _ | | _ | _ | _ | | _ | _ |
| to customers | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales | | | | | | | | | | | |
| to related parties | | | | | | | | | | | |
| Digital asset | _ | | | | | | | | | | _ |
| mining income | _ | 2,160,518 | 23,285,302 | _ | _ | _ | _ | _ | _ | _ | _ |
| Network services | | | | | | | | | | | |
| and defi | | | | | | | | | | | |
| revenue Total Revenue | | 2,160,518 | 34,784,369 | | | | | | | | |
| Cost of revenue | | 2,100,518 | (28,856,998) | | | | | | | | |
| Gross Profit | | 2,160,518 | 5,927,371 | | | | = | | _= | $\overline{}$ | |
| Gain (loss) on | | 2,100,010 | 0,727,071 | | | | | | | | |
| legal settlements | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Gain (loss) from | | | | | | | | | | | |
| sales of digital | | 1.00 | 170 047 | | | | | | | | |
| currency assets Impairments of | _ | 1,616 | 178,047 | _ | _ | _ | _ | _ | _ | _ | _ |
| digital | | | | | | | | | | | |
| currency assets | _ | (10,893) | (163,462) | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of | | | | | | | | | | | |
| goodwill and other | | | | | | | | | | | |
| intangibles | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of | | | | | | | | | | | |
| property, plant and equipment | | | | | | | | | | | |
| Losses on | | _ | | | | _ | | | | | _ |
| exchange or disposal of | | | | | | | | | | | |
| property, plant | | | | | | | | | | | |
| and equipment | _ | _ | (339,504) | _ | _ | _ | _ | _ | _ | _ | _ |
| Operating expenses: Research and | _ | | | | | _ | | | | | _ |
| development | _ | _ | (603,750) | _ | _ | _ | _ | _ | _ | _ | _ |
| Sales and | | | | | | | | | | | |
| marketing | | _ | (301,036) | | _ | _ | _ | _ | _ | _ | _ |
| General and administrative | _ | (2,567) | (6,261,136) | _ | _ | _ | _ | _ | _ | _ | |
| Advisor Fees | | (2,307) | (0,201,130) | _ | _ | _ | _ | _ | _ | _ | |
| Total operating | | | | | | | | | | | |
| expenses | | (2,567) | (7,165,923) | | | | | | | | |
| Operating Income | | 2.140 :=: | (1 5/2 150 | | | | | | | | |
| (Loss) Non-operating income | _ | 2,148,674 | (1,563,471) | _ | _ | _ | _ | | | | _ |
| (expense), net: | | | | | | | | | | | |
| Loss on debt | | | | | | | | | | | |
| extinguishment | | | 373,495 | | | | | | | | |
| Interest expense, net | | | (210,753) | | | | | | | | |
| Other | _ | _ | (210,733) | | _ | _ | _ | _ | | | |
| non-operating | | | | | | | | | | | |
| expenses, net | | | 741,000 | | | | _ | | _ | | |
| Reorganization | | | (1,750,139) | | | | | | | | |
| items Total Non-operating | | | (1,/30,139) | | | | | | | | |
| income (expense), | | | | | | | | | | | |
| net: | | | (846,397) | | | | | | | | |
| Income (loss) before | | | | | | | | | | | |
| income taxes | _ | 2,148,674 | (2,409,868) | _ | _ | _ | _ | _ | _ | _ | _ |
| Income tax expense | | | (113,769) | _ | _ | | _ | | _ | _ | _ |
| Net Income (Loss) | | 2,148,674 | (2,523,637) | | | | _= | | = | | |
| c. Heome (Loss) | | 2,170,074 | (2,020,007) | | | | | | | | |
| | | | | | | | | | | | |

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS

| | | HOUSTO | N | |
|------|--|------------------|---|------------|
| | In Re. Core Scientific Operating Company | § | Case No. 22-90343 | |
| | | | Lead Case No. 22-90341 | |
| | Deotor(s) | b | ☑ Jointly Administered | |
| Mo | nthly Operating Report | | | Chapter 11 |
| Rep | orting Period Ended: 09/30/2023 | | Petition Date: 12/21/2022 | |
| Mo | nths Pending: 9 | | Industry Classification: 3 3 4 1 | |
| Rep | orting Method: Accrual | Basis ⊠ | Cash Basis □ | |
| Deb | tor's Full-Time Employees (current): | | 0 | |
| Deb | tor's Full-Time Employees (as of date of order for relief): | | 0 | |
| Sup | porting Documentation (check all that are attached): | | | |
| (For | jointly administered debtors, any required schedules must | be provided on a | non-consolidated basis for each debtor) | |
| | Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the a Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for the repo | | nd equity (net worth) or deficit | |
| | Description of the assets sold or transferred and the terms | O 1 | nsfer | |

/s/ Alfredo R. Pérez

10/31/2023 Date

Signature of Responsible Party

Address STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Alfredo R. Pérez

Printed Name of Responsible Party

700 Louisiana Street, Suite 1700, Houston, Texas 77002

| Par | t 1: Cash Receipts and Disbursements | C | urrent Month | Cumulative |
|-----|--|----------|----------------|---------------|
| a. | Cash balance beginning of month | \$ | 41,951,592 | |
| b. | Total receipts (net of transfers between accounts) | \$ | 33,208,669 | \$342,208,207 |
| c. | Total disbursements (net of transfers between accounts) | \$ | 25,436,282 | \$ 97,098,128 |
| d. | Cash balance end of month (a+b-c) | \$ | 49,723,979 | |
| e. | Disbursements made by third party for the benefit of the estate | \$ | 0 | \$ 0 |
| f. | Total disbursements for quarterly fee calculation (c+e) | \$ | 25,436,282 | \$ 97,098,128 |
| | | | | |
| Par | 2: Asset and Liability Status | | | |
| a. | generally applicable to Individual Debtors. See Instructions.) Accounts receivable (total net of allowance) | | -471,288,201 | |
| b. | Accounts receivable over 90 days outstanding (net of allowance) | \$ | 0 | |
| c. | Inventory (Book Market □ Other □ (attach explanation)) | \$ | 559.280 | |
| d. | Total current assets | - | ,109,062,205 | |
| e. | Total assets | | -699,803,599 | |
| f. | Postpetition payables (excluding taxes) | \$ | 138,473,815 | |
| | Postpetition payables past due (excluding taxes) | \$ | 130,473,613 | |
| g. | | \$ | 713.809 | |
| h. | Postpetition taxes payable | _ | | |
| i. | Postpetition taxes past due | \$ | 120 107 (24 | |
| j. | Total postpetition debt (f+h) | \$ | 139,187,624 | |
| k. | Prepetition secured debt | \$ | 273,389,207 | |
| l. | Prepetition priority debt | \$ | 4,529,948 | |
| m. | Prepetition unsecured debt | \$ | 141,716,904 | |
| n. | Total liabilities (debt) (j+k+l+m) | \$ | 558,823,683 | |
| o. | Ending equity/net worth (e-n) | \$-1 | ,258,627,282 | |
| Dow | 3: Assets Sold or Transferred | | www.net Month | Cumulative |
| a. | Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ | urrent Month 0 | \$ 3,036,635 |
| b. | Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$ | 0 | \$ 0 |
| c. | Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ | 0 | \$ 3,036,635 |
| C. | rice cash proceeds from assets sold fransiered outside the ordinary course of business (a-b) | Ψ | | \$ 3,030,033 |
| | 4: Income Statement (Statement of Operations) | | | |
| | generally applicable to Individual Debtors. See Instructions.) Gross income/sales (net of returns and allowances) | \$ \$ | 24.794.260 | Cumulative |
| a. | , | <u> </u> | 34,784,369 | |
| b. | Cost of goods sold (inclusive of depreciation, if applicable) | \$ | 28,856,998 | |
| c. | Gross profit (a-b) | \$ | 5,927,371 | |
| d. | Selling expenses | \$ | 301,036 | |
| e. | General and administrative expenses | \$ | 6,261,136 | |
| f. | Other expenses | \$ | 603,750 | |
| g. | Depreciation and/or amortization (not included in 4b) | \$ | 0 | |
| h. | Interest | \$ | 210,753 | |
| i. | Taxes (local, state, and federal) | \$ | 0 | |
| j. | Reorganization items | \$ | 1,750,139 | |
| k. | Profit (loss) | \$ | -2,523,637 | \$ 3,363,569 |

| a. a. Debtor's professional fees & expenses (bankruptcy) Aggregate Total Debtor Spring Spring | Part | 5: Professional I | Fees and Expenses | | 1 | | | |
|--|------|-------------------|-------------------------------|-----------------------------|--------------|---------------|--------------|-------------------------|
| Firm Name Role | | | | | Approved | Approved | Paid Current | Paid |
| Firm Name Role | | Dahtar'a pro | fassional face & armanass (he | unkruntari) Aggregata Tatal | Current Mont | th Cumulative | Month | Cumulative \$212.075 |
| Firm Name | a. | Leuis J Du | aldress by Einer | Aggregate Total | 3 | 0 \$212,97. | , , | \$212,973 |
| Stretto, Inc Other \$ 0 \$212,975 \$ 0 \$212,975 ii | | Hemizea Bre | akaown by Firm | D.I. | | | | |
| ii | | | | | | 0 0010 074 | | #212.075 |
| III | | | Stretto, Inc | Other | 3 | 0 \$212,973 | \$ 0 | \$212,975 |
| V | | | | | | | | |
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|----|------------|--|-----------------------|-------|----------|---------------------------|----|----------------|--------------|
| b. | Debtor's r | professional fees & expenses (nonbankrup | ntey) Aggregate Total | S Cur | 395,494 | Cumulative \$4,897,898 | | Month 1,680 | \$ 3,269,249 |
| U. | | Breakdown by Firm | ncy) Aggregate Total | | 373,77 | \$ 4,077,070 | φ | 1,000 | \$ 3,207,247 |
| | nemizea i | _ | Role | | | | | | |
| | | Firm Name | | | | | | | |
| | i | Fishman Stewart PLLC | Local Counsel | \$ | 0 | \$ 223,062 | \$ | 0 | \$ 108,715 |
| | ii | Frost Brown Todd Attorneys LL | Other | \$ | 21,163 | \$ 65,764 | \$ | 0 | \$ 38,873 |
| | iii | Horne LLP | Other | \$ | 910 | \$ 12,173 | \$ | 0 | \$ 10,538 |
| | iv | Marcum LLP | Other | \$ | 103,000 | \$ 1,465,259 | \$ | 0 | \$ 1,362,259 |
| | V | Quinn Emanuel Urquhart & Sul | Other | \$ | 46,729 | \$ 1,072,577 | \$ | 0 | \$ 250,920 |
| | vi | Alston and Bird LLP | Other | \$ | 1,495 | \$ 226,134 | \$ | 0 | \$ 194,143 |
| | vii | Carey Olsen Cayman Limited | Other | \$ | 0 | \$ 2,239 | \$ | 0 | \$ 2,239 |
| | viii | Murphy and Grantland PA | Other | \$ | 0 | \$ 480 | \$ | 0 | \$ 0 |
| | ix | Parker Poe | Other | \$ | 0 | \$ 2,096 | \$ | 0 | \$ 2,096 |
| | X | Morgan Lewis and Bockius LLP | Other | \$ | 8,967 | \$ 100,387 | \$ | 1,680 | \$ 52,994 |
| | xi | Deloitte & Touche LLP | Other | \$ | 210,550 | \$ 1,590,525 | \$ | 0 | \$1,112,250 |
| | xii | Ernst and Young US LLP | Other | \$ | 0 | \$ 9,632 | \$ | 0 | \$ 9,632 |
| | xiii | Hall, Estill, Hardwick, Gable, G | Other | \$ | 0 | \$ 1,777 | \$ | 0 | \$ 1,777 |
| | xiv | Andersen Tax LLC | Other | \$ | 2,680 | \$ 121,294 | \$ | 0 | \$ 118,314 |

| XV | Ryan LLC | Other | \$ 0 | \$ 4,500 | \$ 0 | \$ 4,50 |
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| | c | | | | | | |
| c. | All profession | onal fees and expenses (debtor & cor | \$395,494 | \$5,110,873 | \$1,680 | \$3,482,225 | |

| Par | t 6: Postpetition Taxes | Cu | rrent Month | Cumulative | |
|-----|---|----|-------------|------------|--------|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$ | 0 | \$ | 65,977 |
| b. | Postpetition income taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |
| c. | Postpetition employer payroll taxes accrued | \$ | 31,271 | \$ 5 | 28,242 |
| d. | Postpetition employer payroll taxes paid | \$ | 156,899 | \$1,5 | 83,424 |
| e. | Postpetition property taxes paid | \$ | 0 | \$ | 17,284 |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$ | -115,210 | \$ -1 | 24,329 |
| g. | Postpetition other taxes paid (local, state, and federal) | \$ | -7,771 | \$ -4 | 44,062 |

| Par | t 7: Questionnaire - During this reporting period: | | | | |
|-----|---|-------|------|-------|---------------------------|
| a. | Were any payments made on prepetition debt? (if yes, see Instructions) | Yes ⊠ | No □ | | |
| b. | Were any payments made outside the ordinary course of business without court approval? | | | | |
| | (if yes, see Instructions) | Yes □ | No ⊠ | | |
| c. | Were any payments made to or on behalf of insiders? | Yes ⋈ | No □ | | |
| d. | Are you current on postpetition tax return filings? | Yes □ | No ⊠ | | |
| e. | Are you current on postpetition estimated tax payments? | Yes ⋈ | No □ | | |
| f. | Were all trust fund taxes remitted on a current basis? | Yes ⋈ | No □ | | |
| g. | Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| h. | Were all payments made to or on behalf of professionals approved by the court? | Yes ⊠ | No □ | N/A □ | |
| i. | Do you have: Worker's compensation insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | N/A □ | (if no, see Instructions) |
| | Casualty/property insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | N/A □ | (if no, see Instructions) |
| | General liability insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | N/A □ | (if no, see Instructions) |
| j. | Has a plan of reorganization been filed with the court? | Yes ⊠ | No □ | | |
| k. | Has a disclosure statement been filed with the court? | Yes ⊠ | No □ | | |
| l. | Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? | Yes ⊠ | No □ | | |
| | | | | | |

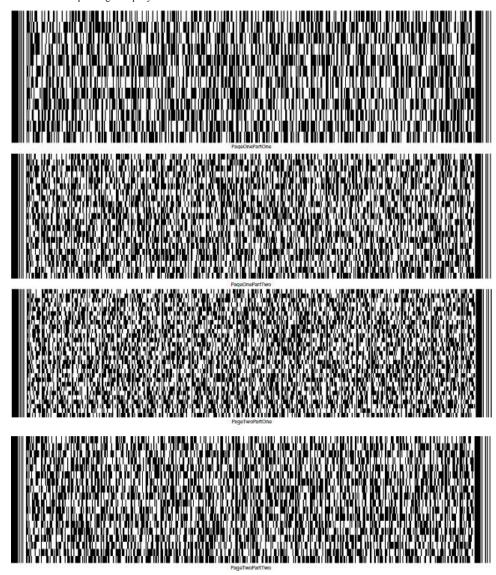
| Debtor's Name Core Scientific Operating Company Case | | | | | | | |
|---|---|------------------|----|---|--|--|--|
| Part 8 | 8: Individual Chapter 11 Debtors (Only) | | | | | | |
| a. | Gross income (receipts) from salary and wages | | \$ | 0 | | | |
| b. | Gross income (receipts) from self-employment | | \$ | 0 | | | |
| c. | Gross income from all other sources | | \$ | 0 | | | |
| d. | Total income in the reporting period (a+b+c) | | \$ | 0 | | | |
| e. | Payroll deductions | | \$ | 0 | | | |
| f. | Self-employment related expenses | | \$ | 0 | | | |
| g. | Living expenses | | \$ | 0 | | | |
| h. | All other expenses | | \$ | 0 | | | |
| i. | Total expenses in the reporting period (e+f+g+h) | | \$ | 0 | | | |
| j. | Difference between total income and total expenses (d-i) | | \$ | 0 | | | |
| k. | List the total amount of all postpetition debts that are past due | | \$ | 0 | | | |
| l. | Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes □ No ⊠ | | | | | |
| m. | If yes, have you made all Domestic Support Obligation payments? | Yes □ No □ N/A 🗵 | 1 | | | | |

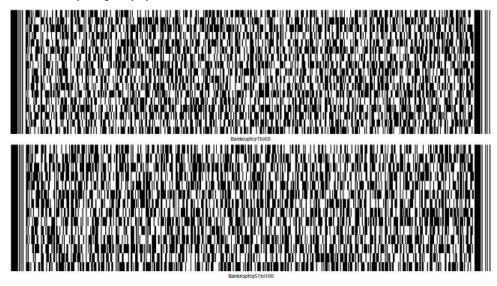
Privacy Act Statement

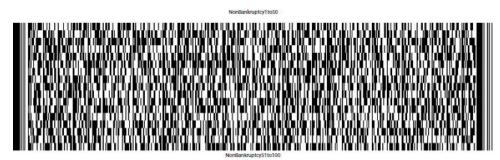
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

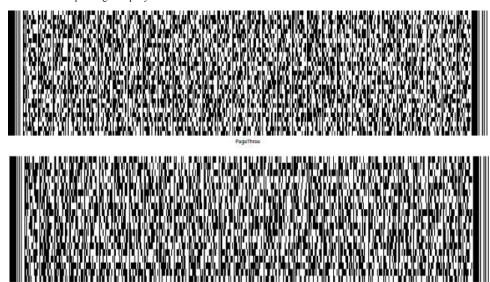
<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

| /s/ Michael Bros | Michael Bros |
|---------------------------------------|-----------------------------------|
| Signature of Responsible Party | Printed Name of Responsible Party |
| SVP, Capital Markets and Acquisitions | 10/31/2023 |
| Title | Date |









IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

| In re: | § | Chapter 11 |
|--------------------------------|---|------------------------|
| | § | |
| CORE SCIENTIFIC, INC., et al., | § | Case No. 22-90341(CML) |
| | § | |
| Debtors. ¹ | § | (Jointly Administered) |

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

1. Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

Page 1

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave, Suite E-101, Austin, TX 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

- 3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisitions, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.
 - The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.
- Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash
 Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule
 of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

$\underline{MOR\text{-}1:9/1/2023-9/30/2023} \ \underline{SCHEDULE} \ \underline{OF} \ \underline{CASH} \ \underline{RECEIPTS} \ \underline{AND} \ \underline{DISBURSEMENTS}$

| D | Core Scientific, | Core Scientific Acquired Mining | Core Scientific Operating | Radar Relay, | Mining | | American Property Acquisition, | Starboard Capital | | American Property Acquisitions I, | | T. () |
|--|---------------------|--|---------------------------------|-----------------|--|--|--|--|--|---|--|---------------|
| Description | Inc. | LLC | Company | Inc. | LLC | LLC | LLC | LLC | LLC | LLC | VII, LLC | Total |
| Receipts | | | | | | | | | | | | |
| Operating Sales Proceeds | 1,903,870 | 2,238,422 | 23,412,610 | _ | _ | _ | _ | _ | _ | _ | _ | 27,554,903 |
| Bitmain Coupon Sales | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Other Receipts | 45 | _ | 9,796,058 | _ | _ | _ | _ | _ | _ | _ | _ | 9,796,103 |
| Total Receipts | 1,903,915 | 2,238,422 | 33,208,669 | _ | | | _ | _ | | _ | _ | 37,351,006 |
| Disbursements | | | | | | | | | | | | |
| Suppliers or vendors | 1,789,755 | 1,988,941 | 20,803,184 | _ | _ | _ | _ | _ | _ | _ | _ | 24,581,881 |
| Taxes / | | 10.5 | | | | | | | | | | |
| Governmental | 7.640.120 | 496 | 5,188 | _ | | | | | | | | 5,684 |
| Services Financial / Bank | 7,649,138 | 130,530 | 1,365,265 | _ | _ | _ | _ | _ | _ | _ | _ | 9,144,933 |
| Fees | _ | 7,856 | 82,168 | _ | | _ | _ | | | _ | _ | 90,024 |
| Employee Expense | _ | 304,078 | 3,180,477 | _ | _ | _ | _ | _ | _ | _ | _ | 3,484,554 |
| Total Disbursements | 9,438,893 | 2,431,900 | 25,436,282 | | | | | | | | | 37,307,075 |
| Net Cash Flow (excl. Internal | | | | | | | | | | | | 202,710,006 |
| Transfers) | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Cash Balance Beginning of | | | | | | | | | | | | |
| Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow | (7,534,978) | (193,478) | 7,772,387 | _ | | | | | _ | | | 43,931 |
| Disbursement Allocation | _ | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash Balance End of Month (excl. Internal Transfers) | 14,270,676 | 2,380,320 | 47,292,079 | _ | _ | _ | _ | _ | _ | _ | _ | 63,943,075 |
| Bank Cash Balance | 11,270,070 | 2,300,320 | 17,202,070 | () | | | | | | | | 00,210,070 |
| Beginning of Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow (excl. Internal Transfers; w/ Allocation) | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| MOR Part 1 d. | (1,554,710) | (175,476) | 1,772,307 | | | | | | | | | 40,701 |
| Cash Balance | \$14,270,676 | \$ (51,580) | \$49,723,979 | <u>s —</u> | <u>s </u> | <u>s </u> | <u>s – </u> | <u>s — </u> | <u>s — </u> | <u>s — </u> | <u>s – </u> | \$ 63,943,075 |
| Reversing Disbursement Allocation | _ | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Internal Transfers | 8,485,968 | (2,185,000) | (6,300,968) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash Balance End of | 0,.00,.00 | (2,100,000) | (=,===,=00) | | | | | | | | | |
| Month | \$22,756,644 | \$ 195,320 | \$40,991,111 | <u>s — </u> | <u>s </u> | <u>s — </u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s —</u> | <u>s </u> | \$ 63,943,075 |

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Elimination Co | Tota |
|---|-----------------------------|---|--|----------------------|-------------------------------------|--|---|-----------------------------|--------------|--|--|---|-----------|
| (dollars in thousands) | | | Company | reemy, mer | LLC | | LLC | | LLC | | | | 1011 |
| ASSETS | | | | | | | | | | | | | |
| Cash and Equivalents | 1,764,468 | 195,320 | 40,186,086 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 42,14 |
| Restricted Cash | 20,992,176 | | 805,024 | | | | | | | | | | 21,79 |
| Total Cash | 22,756,644 | 195,320 | 40,991,110 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 63,94 |
| Accounts receivable, net of allowance Accounts | _ | _ | 1,109,073 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,10 |
| receivable from related parties | 466,233,865 | 153,152,561 | (472,397,274) | 1,160,033 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) | |
| Deposits for | | | | | | | | | | | | | |
| equipment Digital currency | | | | | | | | | | | | | |
| assets | _ | _ | 559,280 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 55 |
| Prepaid expenses | | 22 509 120 | 27.041.221 | | | | | | | | | (22 502 520) | 27.0 |
| and other Total other current | _ | 22,598,120 | 27,041,221 | | | | | | | | | (22,593,530) | 27,04 |
| assets | 1,840,530,509 | (1,128,185,364) | (706,365,615) | 12,734 | | | | | | | | | 5,99 |
| Assets Property, plant and | 2,329,521,017 | (952,239,363) | (1,109,062,205) | 1,172,767 | _ | _ | _ | _ | _ | _ | _ | (170,742,714) | 98,64 |
| equipment | _ | 43,553,074 | 521,053,333 | _ | _ | _ | _ | _ | _ | _ | _ | (15,616,704) | 548,98 |
| Operating lease-right-of-use assets | _ | _ | 6,583,247 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 6,58 |
| Goodwill | _ | 232,587,379 | (167,058,249) | (65,529,130) | _ | _ | _ | _ | _ | _ | _ | _ | |
| Intangible assets, net | _ | _ | 2,447,508 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 2,44 |
| Other noncurrent assets | 2,558,789 | (0) | 46,232,768 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 48,79 |
| Total Assets | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | | | | | | | | (186,359,418) | 705,40 |
| LIABILITIES, PREFERRED STOCK & EQUITY | | | | | | | | | | | | | |
| Accounts Payable | _ | 148,157,171 | 78,794,824 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) | 78,80 |
| Accrued expenses and other | 199,366 | 18,136,331 | 54,733,437 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 73,00 |
| Deferred revenue Derivative warrant | _ | _ | 101,652,116 | _ | | _ | _ | _ | | _ | _ | (38,481,727) | 63,17 |
| liabilities Operating lease liabilities, current | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| portion Financing lease | | _ | 204,516 | _ | | _ | _ | _ | | _ | _ | _ | 20 |
| liabilities, current portion | _ | _ | 19,832,575 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 19,83 |
| Long-term debt, current portion | (559,901,857) | _ | 723,122,505 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 163,22 |
| Total current liabilities | (559,702,491) | 166,293,502 | 978,339,973 | 1,750 | _ | | _ | _ | _ | | _ | (186,630,911) | 398,30 |
| Operating lease liabilities, net of current portion | | | 1,046,649 | | | | | | | | | (===,===,===,===,===,===,===,===,===,== | 1,04 |
| Financing lease liabilities, net of | _ | _ | 1,040,049 | _ | | _ | _ | | | _ | _ | _ | 1,0 |
| current portion Long-term debt, net | _ | _ | 35,908,670 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 35,90 |
| of current portion Other noncurrent | 568,258,150 | | 113,884,055 | | | | | | | | | _ | 682,14 |
| liabilities | _ | 18,084,856 | (14,337,349) | (2,587,769) | _ | _ | _ | _ | _ | _ | _ | _ | 1,1; |
| Total Liabilities | 8,555,659 | 184,378,359 | 1,114,841,999 | (2,586,019) | | | | | | | | (186,630,911) | 1,118,55 |
| Pre-Petition Subject to Compromise | 684,395,370 | | (684,395,370) | | | | | | | | | | |
| Total Pre-Petition Subject to | | | | | | | | | | | | | |
| Compromise | 684,395,370 | _ | (684,395,370) | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Preferred stock | 37,478 | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | , |
| Common stock Additional paid-in | 37,470 | _ | _ | _ | | _ | | | | _ | _ | _ | - |
| capital Accumulated | 1,818,873,138 | (15,979,141) | 2,887,621 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,805,78 |
| deficit Other | (179,781,838) | (844,545,110) | (1,133,137,849) | (61,770,345) | | | | | | | | 318,476 | (2,218,91 |
| Comprehensive Income | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Cumulative Translation | | | | | | | | | | | | | |
| Adjustment Total Equity | 1,639,128,778 | 46,983 (860,477,269) | (1,130,250,228) | (61,770,345) | | | | | | | | (46,983) 271,494 | (413,09 |
| Total Liabilities, | -,002,220,770 | (000,177,207) | (-,100,200,220) | (31,770,043) | | | | | | | | -/1,1/1 | (120,0) |
| Preferred Stock & Equity | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | _ | _ | _ | - | _ | _ | _ | (186,359,418) | 705,40 |

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

MOR-3: 9/1/2023 - 9/30/2023 Profit & Loss

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC |
|---|-----------------------------|---|--|------------------------|-------------------------------------|--|---|-----------------------------|--------------|--|--|
| Total Revenue | | | | | | | | | | | |
| (dollars in thousands) Hosting revenue from customers | | | 8,954,530 | | | | | | | | |
| Hosting revenue from | _ | _ | 0,734,330 | _ | _ | _ | _ | _ | _ | _ | _ |
| related parties | _ | _ | 2,544,537 | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to customers | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to related parties | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Digital asset mining | | | | | | | | | | | |
| income Network services and | _ | 2,160,518 | 23,285,302 | _ | _ | _ | _ | _ | _ | _ | _ |
| defi revenue | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Total Revenue | | 2,160,518 | 34,784,369 | | | | | | | | |
| Cost of revenue | | 2,100,010 | (28,856,998) | | | | | | | | |
| Gross Profit | | 2,160,518 | 5,927,371 | | | | | | | | |
| Gain (loss) on legal | | 2,100,310 | 3,727,371 | | | | | | | | |
| settlements Gain (loss) from sales | | | | _ | | | | | | _ | _ |
| of digital currency assets | _ | 1,616 | 178,047 | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairments of digital | | | ĺ | | | | | | | | |
| currency assets Impairment of | _ | (10,893) | (163,462) | | _ | | | _ | _ | _ | _ |
| goodwill and other intangibles | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of | | | | | | | | | | | |
| property, plant and equipment | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Losses on exchange or disposal of | | | | | | | | | | | |
| property, plant and equipment | _ | _ | (339,504) | _ | _ | _ | _ | _ | _ | _ | _ |
| Operating expenses: | _ | | | _ | _ | _ | _ | _ | _ | _ | _ |
| Research and | | | (500 ==0) | | | | | | | | |
| development | _ | _ | (603,750) | _ | _ | _ | _ | _ | _ | _ | _ |
| Sales and marketing General and | | | (301,036) | | | | | | | | _ |
| administrative Advisor Fees | _ | (2,567) | (6,261,136) | _ | _ | _ | _ | _ | _ | _ | _ |
| Total operating expenses | | (2,567) | (7,165,923) | | | | | | | | |
| Operating Income (Loss) | | 2,148,674 | (1,563,471) | | | | | | | | |
| Non-operating income (expense), net: | _ | 2,140,074 | (1,303,471) | | _ | _ | _ | _ | _ | _ | _ |
| Loss on debt extinguishment | _ | _ | 373,495 | _ | _ | _ | _ | _ | _ | _ | _ |
| Interest expense, net | _ | _ | (210,753) | _ | _ | _ | _ | _ | _ | _ | _ |
| Other non-operating | | | 741.000 | | | | | | | | |
| expenses, net Reorganization items | = | = | 741,000 (1,750,139) | | _ | _ | | | | _ | _ |
| Total Non-operating income (expense), net: | | | (846,397) | | | | | | | | _ |
| Income (loss) before income taxes | | 2,148,674 | (2,409,868) | | | | | | | | |
| Income tax expense | | 2,170,074 | (113,769) | | | | | _ | | | _ |
| Net Income (Loss) | | 2,148,674 | (2,523,637) | | | | | | | | |
| (2000) | | _,1.10,0.14 | (2,020,001) | | | | | | | | |

Core Scientific Operating Company

MOR-5: 9/1/2023 - 9/30/2023 Payments to Insiders

| Name | Title | Date | Amount | Description |
|-----------------|---|-----------|--------------|-------------|
| Mike Levitt | Chairman of the Board | 9/1/2023 | \$ 2,307.69 | Base Salary |
| Mike Levitt | Chairman of the Board | 9/15/2023 | \$ 2,307.69 | Base Salary |
| Mike Levitt | Chairman of the Board | 9/29/2023 | \$ 2,307.69 | Base Salary |
| Denise Sterling | Executive Vice President, Chief Financial Officer | 9/1/2023 | \$ 11,538.46 | Base Salary |
| Denise Sterling | Executive Vice President, Chief Financial Officer | 9/15/2023 | \$ 11,538.46 | Base Salary |
| Denise Sterling | Executive Vice President, Chief Financial Officer | 9/29/2023 | \$ 11,538.46 | Base Salary |
| Darin Feinstein | Board Member | 9/1/2023 | \$ 2,307.69 | Base Salary |
| Darin Feinstein | Board Member | 9/15/2023 | \$ 2,307.69 | Base Salary |
| Darin Feinstein | Board Member | 9/29/2023 | \$ 2,307.69 | Base Salary |
| Todd DuChene | Chief Legal Officer | 9/1/2023 | \$ 19,230.77 | Base Salary |
| Todd DuChene | Chief Legal Officer | 9/15/2023 | \$ 19,230.77 | Base Salary |
| Todd DuChene | Chief Legal Officer | 9/29/2023 | \$ 19,230.77 | Base Salary |
| Adam Sullivan | President, Chief Executive Officer | 9/1/2023 | \$ 19,230.77 | Base Salary |
| Adam Sullivan | President, Chief Executive Officer | 9/15/2023 | \$ 19,230.77 | Base Salary |
| Adam Sullivan | President, Chief Executive Officer | 9/29/2023 | \$ 19,230.77 | Base Salary |
| Neal Goldman | Board Member | 9/1/2023 | \$ 35,000.00 | Board Fee |

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

| In Re. Core Scientific Acquired Mining LLC | § § | Case No. 22-90342 | |
|---|-------------|--|------------|
| | § | Lead Case No. 22-90341 | |
| Debtor(s) | § | □ Jointly Administered | |
| Monthly Operating Report | | | Chapter 11 |
| Reporting Period Ended: 09/30/2023 | | Petition Date: 12/21/2022 | |
| Months Pending: 9 | | Industry Classification: 3 3 4 1 | |
| Reporting Method: Accrual Basis | 3 ⊠ | Cash Basis □ | |
| Debtor's Full-Time Employees (current): | | 0 | |
| Debtor's Full-Time Employees (as of date of order for relief): | | 0 | |
| Supporting Documentation (check all that are attached): | | | |
| (For jointly administered debtors, any required schedules must be pro- | ovided on a | non-consolidated basis for each debtor) | |
| Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the assets, Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for the reporting Description of the assets sold or transferred and the terms of the | period | | |
| /s/ Alfredo R. Pérez | | Alfredo R. Pérez | |
| Signature of Responsible Party | | Printed Name of Responsible Party | |
| 10/31/2023 | | | |
| Date | | 700 Louisiana Street, Suite 1700, Houston, Texas 77 Address | 002 |

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

| Par | t 1: Cash Receipts and Disbursements | Cur | rent Month | Cumulative | | | | | | |
|------------|---|------|------------|------------------|--|--|--|--|--|--|
| a. | Cash balance beginning of month | \$ | 141,898 | Cumulative | | | | | | |
| b. | Total receipts (net of transfers between accounts) | \$ | 2,238,422 | \$23,447,278 | | | | | | |
| c. | Total disbursements (net of transfers between accounts) | | 2,431,900 | \$ 8,980,023 | | | | | | |
| d. | Cash balance end of month (a+b-c) | \$ | -51,580 | , -,, | | | | | | |
| e. | Disbursements made by third party for the benefit of the estate | \$ | 0 | \$ 0 | | | | | | |
| f. | Total disbursements for quarterly fee calculation (c+e) | \$ | 2,431,900 | \$ 8,980,023 | | | | | | |
| | | - | , - , | , -,, | | | | | | |
| Par | Part 2: Asset and Liability Status | | | | | | | | | |
| a. | t generally applicable to Individual Debtors. See Instructions.) Accounts receivable (total net of allowance) | | 73,152,561 | | | | | | | |
| b. | Accounts receivable over 90 days outstanding (net of allowance) | \$ | 0 | | | | | | | |
| c. | Inventory (Book Market □ Other □ (attach explanation)) | \$ | 0 | | | | | | | |
| d. | Total current assets | | 52,239,363 | | | | | | | |
| e. | Total assets | _ | 76,098,910 | | | | | | | |
| f. | Postpetition payables (excluding taxes) | \$ | 0 | | | | | | | |
| g. | Postpetition payables past due (excluding taxes) | \$ | 0 | | | | | | | |
| h. | Postpetition taxes payable | \$ | 0 | | | | | | | |
| i. | Postpetition taxes paydote Postpetition taxes past due | \$ | 0 | | | | | | | |
| j. | Total postpetition debt (f+h) | \$ | 0 | | | | | | | |
| k. | Prepetition secured debt | \$ | 0 | | | | | | | |
| 1. | Prepetition priority debt | \$ | 0 | | | | | | | |
| m. | Prepetition unsecured debt | \$ | 0 | | | | | | | |
| n. | Total liabilities (debt) (j+k+l+m) | \$ | 0 | | | | | | | |
| 0. | Ending equity/net worth (e-n) | | 76,098,910 | | | | | | | |
| 0. | Enting equity not worth (e n) | Ψ 07 | 70,070,710 | | | | | | | |
| Par | t 3: Assets Sold or Transferred | Cur | rent Month | Cumulative | | | | | | |
| a. | Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ | 0 | \$ 0 | | | | | | |
| b. | Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$ | 0 | \$ 0 | | | | | | |
| c. | Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ | 0 | \$ 0 | | | | | | |
| | | | | | | | | | | |
| Par (No | t 4: Income Statement (Statement of Operations) t generally applicable to Individual Debtors. See Instructions.) | Cur | rent Month | Cumulative | | | | | | |
| a. | Gross income/sales (net of returns and allowances) | \$ | 2,160,518 | | | | | | | |
| b. | Cost of goods sold (inclusive of depreciation, if applicable) | \$ | 0 | | | | | | | |
| c. | Gross profit (a-b) | \$ | 2,160,518 | | | | | | | |
| d. | Selling expenses | \$ | 0 | | | | | | | |
| e. | General and administrative expenses | \$ | 2,567 | | | | | | | |
| f. | Other expenses | \$ | 0 | | | | | | | |
| g. | Depreciation and/or amortization (not included in 4b) | \$ | 0 | | | | | | | |
| h. | Interest | \$ | 0 | | | | | | | |
| i. | Taxes (local, state, and federal) | \$ | 0 | | | | | | | |
| j. | Reorganization items | \$ | 0 | | | | | | | |
| k. | Profit (loss) | \$ | 2,148,674 | \$-4,343,106 | | | | | | |
| | | | | | | | | | | |

| C1 1 1 0 1 C S | sional Fees and Expenses | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
|----------------|-----------------------------------|------------------------------|---------------------------|------------------------|-----------------------|--------------------|
| Debtor | 's professional fees & expenses (| hankruntey) Aggregate Total | Current Worth | Cumulative | World | Cumulativ |
| Itemize | ed Breakdown by Firm | ounkruptey) 115g/egute 10tui | | | | |
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| b. | Debtor's professional fees & expens | | | | | |
| | Itemized Breakdown by Firm | | | | | |
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| Par | t 6: Postpetition Taxes | Current | Current Month | | Cumulative | |
|-----|---|---------|---------------|----|------------|--|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 | |
| b. | Postpetition income taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 | |
| c. | Postpetition employer payroll taxes accrued | \$ | 0 | \$ | 0 | |
| d. | Postpetition employer payroll taxes paid | \$ | 0 | \$ | 0 | |
| e. | Postpetition property taxes paid | \$ | 0 | \$ | 0 | |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 | |
| g. | Postpetition other taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 | |

| Part | 7: Questionnaire - During this reporting period: | | | | |
|------|--|-------|------|-----------------|---------------------------|
| a. | Were any payments made on prepetition debt? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| b. | Were any payments made outside the ordinary course of business without court approval? (if | Yes □ | No ⊠ | | |
| | yes, see Instructions) | | | | |
| c. | Were any payments made to or on behalf of insiders? | Yes □ | No ⊠ | | |
| d. | Are you current on postpetition tax return filings? | Yes ⊠ | No □ | | |
| e. | Are you current on postpetition estimated tax payments? | Yes ⊠ | No □ | | |
| f. | Were all trust fund taxes remitted on a current basis? | Yes ⊠ | No □ | | |
| g. | Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| h. | Were all payments made to or on behalf of professionals approved by the court? | Yes □ | No □ | $N/A \boxtimes$ | |
| i. | Do you have: Worker's compensation insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | N/A □ | (if no, see Instructions) |
| | Casualty/property insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | N/A □ | (if no, see Instructions) |
| | General liability insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | N/A □ | (if no, see Instructions) |
| j. | Has a plan of reorganization been filed with the court? | Yes ⊠ | No □ | | |
| k. | Has a disclosure statement been filed with the court? | Yes ⊠ | No □ | | |
| 1. | Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? | Yes ⊠ | No □ | | |

| Del | otor's Name Core Scientific Acquired Mining LLC | Case N | Case No. 22-90342 | | |
|-----|---|--------|-------------------|--|--|
| Par | 8: Individual Chapter 11 Debtors (Only) | | | | |
| a. | Gross income (receipts) from salary and wages | \$ | 0 | | |
| b. | Gross income (receipts) from self-employment | \$ | 0 | | |
| c. | Gross income from all other sources | \$ | 0 | | |
| d. | Total income in the reporting period (a+b+c) | \$ | 0 | | |
| e. | Payroll deductions | \$ | 0 | | |
| f. | Self-employment related expenses | \$ | 0 | | |
| g. | Living expenses | \$ | 0 | | |
| h. | All other expenses | \$ | 0 | | |

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N/A ⋈

No ⊠

No □

\$

\$

Yes □

Yes □

Privacy Act Statement

Total expenses in the reporting period (e+f+g+h)

Difference between total income and total expenses (d-i)

List the total amount of all postpetition debts that are past due

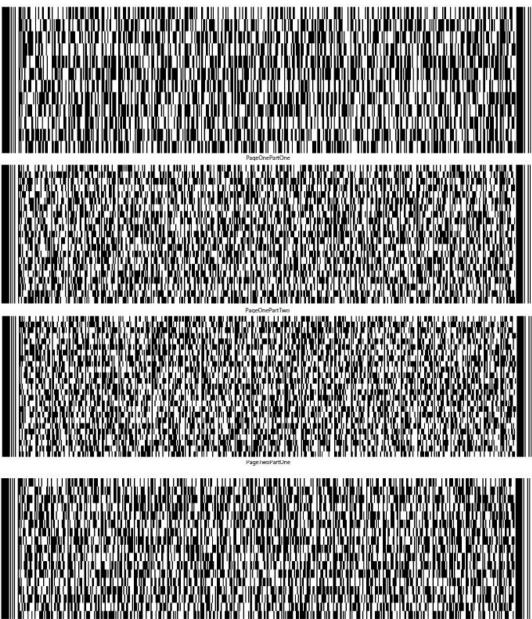
If yes, have you made all Domestic Support Obligation payments?

Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?

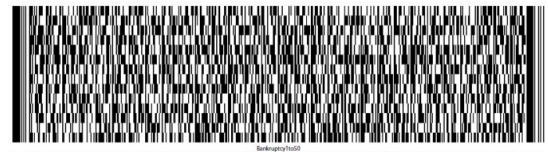
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

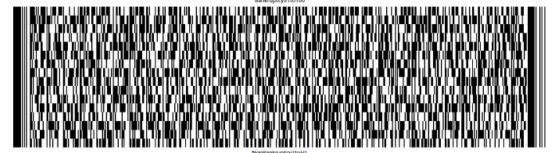
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

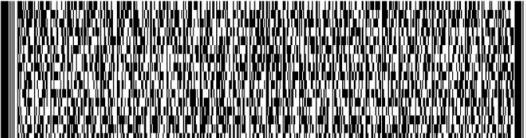
| /s/ Michael Bros | Michael Bros |
|---------------------------------------|-----------------------------------|
| Signature of Responsible Party | Printed Name of Responsible Party |
| SVP, Capital Markets and Acquisitions | 10/31/2023 |
| Title | Date |



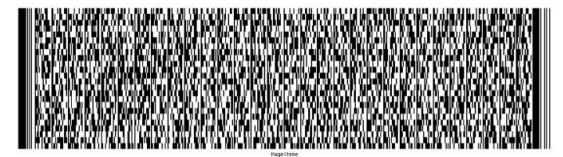
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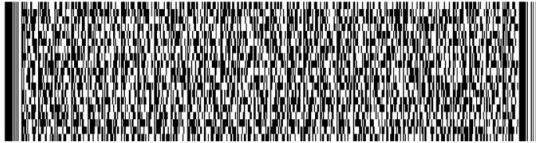






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PageFour

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:

\$ Chapter 11
\$ CORE SCIENTIFIC, INC., et al.,

Debtors. 1

\$ (Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

1. Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave, Suite E-101, Austin, TX 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.
 - Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.
- 3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by- entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.
 - The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.
- 4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' ristorical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

MOR-1: 9/1/2023 - 9/30/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

| Description | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Total |
|--|-----------------------------|---|--|-------------------------|--|--|---|-----------------------------|--|--|--|---------------|
| Receipts | | | | | | | | | | , | | |
| Operating Sales Proceeds | 1,903,870 | 2,238,422 | 23,412,610 | _ | _ | _ | _ | _ | _ | _ | _ | 27,554,903 |
| Bitmain Coupon Sales | <u> </u> | · · · | · · | _ | _ | _ | _ | _ | _ | _ | _ | · · · |
| Other Receipts | 45 | _ | 9,796,058 | _ | _ | _ | _ | _ | _ | _ | _ | 9,796,103 |
| Total Receipts | 1,903,915 | 2,238,422 | 33,208,669 | _ | | | | | | | | 37,351,006 |
| • | ,, | , , | , , | | | | | | | | | - , , |
| Disbursements | | | | | | | | | | | | |
| Suppliers or vendors | 1,789,755 | 1,988,941 | 20,803,184 | _ | _ | _ | _ | _ | _ | _ | _ | 24,581,881 |
| Taxes / Governmental | | 496 | 5,188 | _ | | | | | _ | | | 5,684 |
| Services | 7,649,138 | 130,530 | 1,365,265 | _ | _ | _ | _ | _ | _ | _ | _ | 9,144,933 |
| Financial / Bank Fees | | 7,856 | 82,168 | _ | _ | | | | _ | | | 90,024 |
| Employee Expense | | 304,078 | 3,180,477 | | | | | | | | | 3,484,554 |
| Total Disbursements | 9,438,893 | 2,431,900 | 25,436,282 | _ | _ | _ | _ | | _ | _ | _ | 37,307,075 |
| | | | | | | | | | | | | 202,710,006 |
| Net Cash Flow (excl. Internal Transfers) | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Cash Balance Beginning of | | | | | | | | | | | | |
| Month | 21.805.654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Disbursement Allocation | | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash Balance End of Month (excl. Internal Transfers) | 14,270,676 | 2,380,320 | 47,292,079 | | | | | | | | | 63,943,075 |
| Bank Cash Balance Beginning of Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow (excl. Internal Transfers; w/ Allocation) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| MOR Part 1 d. Cash Balance | \$14,270,676 | \$ (51,580) | \$49,723,979 | <u>\$ —</u> | <u>s </u> | <u> </u> | <u>s</u> — | <u>s</u> – | <u>s </u> | <u>s — </u> | <u> </u> | \$ 63,943,075 |
| Reversing Disbursement Allocation | | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | | | |
| Internal Transfers | 8,485,968 | (2,185,000) | (6,300,968) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash Balance End of Month | \$22,756,644 | \$ 195,320 | \$40,991,111 | <u>\$ —</u> | <u>s </u> | <u>s — </u> | <u>s — </u> | <u>s</u> — | <u>\$</u> | <u>s — </u> | <u> </u> | \$ 63,943,075 |

MOR-2: End of September 2023 Balance Sheet

Core Scientific Specialty
Mining
(Oklahoma)
LLC Core American American American Core Scientific Core Scientific Property Acquisition, LLC Scientific Starboard Property Property Capital RADAR Acquisitions LLC LLC I, LLC Acquisitions VII, LLC Acquired Mining LLC Radar Mining Elimination Operating Scientific, Inc. I, LLC Total1 Company Relay, Inc. LLC Co (dollars in thousands) ASSETS Cash and Equivalents 195,320 1,764,468 40,186,086 42,145,87 Restricted Cash 20,992,176 805.024 21,797,20 195.320 **Total Cash** 22.756.644 40.991.110 63.943.07 Accounts receivable, net of allowance 1,109,073 1,109,07 Accounts receivable from related parties Deposits for 466,233,865 153,152,561 (472,397,274) 1,160,033 (148, 149, 184) equipment Digital currency 559,280 559,28 Prepaid expenses and other Total other current 22.598.120 27,041,221 (22,593,530) 27,045,81 1,840,530,509 (1,128,185,364) (706,365,615) 12,734 5,992,26 **Total Current** (952,239,363) Assets 2,329,521,017 (1,109,062,205) 1,172,767 (170,742,714) 98,649,50 Property, plant and equipment 43,553,074 521,053,333 (15,616,704) 548,989,70 Operating lease-right-of-use 6,583,247 6.583.24 assets Goodwill Intangible assets, 232,587,379 (167,058,249) (65,529,130) 2 447 508 2.447.50 net Other noncurrent 2,558,789 46,232,768 48.791.55 assets (0)(699,803,599) (64,356,364) Total Assets 2,332,079,806 (676,098,910) (186,359,418) 705,461,51 LIABILITIES PREFERRED STOCK & EQUITY Accounts Payable Accrued expenses 148,157,171 78,794,824 1,750 (148,149,184) 78,804,56 and other 199,366 18,136,331 54,733,437 73.069.13 Deferred revenue 101,652,116 (38,481,727) 63,170,38 Derivative warrant liabilities Operating lease liabilities, current portion Financing lease liabilities, current 204,516 204,51 portion Long-term debt, 19,832,575 19,832,57 (559,901,857) 723,122,505 current portion 163,220,64 Total current liabilities (559,702,491) 166,293,502 978,339,973 1,750 (186,630,911) 398,301,82 Operating lease liabilities, net of 1,046,649 1,046,64 current portion Financing lease liabilities, net of current portion Long-term debt, net 35.908.670 35.908.67 568,258,150 682,142,20 113.884.055 of current portion Other noncurrent liabilities 18,084,856 (14,337,349)(2,587,769)1,159,73 Total Liabilities 8,555,659 184,378,359 1,114,841,999 (2,586,019) (186,630,911) 1,118,559,08 Pre-Petition Subject to Compromise 684,395,370 (684,395,370) Total Pre-Petition Subject to Compromise 684,395,370 (684,395,370) Preferred stock Common stock Additional paid-in 37,478 37,47 capital Accumulated 1,818,873,138 (15,979,141)2,887,621 1,805,781,61 (179,781,838) (844,545,110) (1,133,137,849) (61,770,345) 318,476 (2,218,916,66 deficit Other Comprehensive Income Cumulative Translation Adjustment (46,983)**Total Equity** 1,639,128,778 (413,097,57 (860,477,269) (1,130,250,228) (61,770,345) Total Liabilities, Preferred Stock &

(699,803,599) (64,356,364)

Equity

2,332,079,806

(676,098,910)

(186,359,418)

705,461,51

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

MOR-3: 9/1/2023 - 9/30/2023 Profit & Loss

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC |
|--|-----------------------------|---|--|------------------------|-------------------------------------|--|---|-----------------------------|--------------|--|--|
| Total Revenue | | | | | | | | | | | |
| (dollars in thousands) | | | | | | | | | | | |
| Hosting revenue from customers | _ | _ | 8,954,530 | _ | _ | _ | _ | _ | _ | _ | _ |
| Hosting revenue from related parties | _ | _ | 2,544,537 | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to customers | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to | | | | | | | | | | | |
| related parties | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Digital asset mining income | _ | 2,160,518 | 23,285,302 | _ | _ | _ | _ | _ | _ | _ | _ |
| Network services and defi revenue | | | | | | | | | | | |
| Total Revenue | _ | 2,160,518 | 34,784,369 | _ | _ | _ | _ | _ | _ | _ | _ |
| Cost of revenue | | | (28,856,998) | | | | | | | | |
| Gross Profit | | 2,160,518 | 5,927,371 | | | | | | | | |
| Gain (loss) on legal settlements | | | | | | | | | | | |
| Gain (loss) from sales of digital currency assets | | 1,616 | 178,047 | | | | | | | | _ |
| Impairments of digital currency assets | | | - /- | | | | | | | _ | _ |
| Impairment of goodwill | | (10,893) | (163,462) | | | | | | | | _ |
| and other intangibles Impairment of property, | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| plant and equipment | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Losses on exchange or disposal of property, | | | (220.50.0) | | | | | | | | |
| plant and equipment | | _ | (339,504) | | _ | _ | _ | _ | _ | _ | _ |
| Operating expenses: Research and | _ | | ((02.750) | | _ | _ | _ | | _ | _ | _ |
| development Sales and marketing | _ | _ | (603,750) | _ | _ | _ | _ | _ | _ | _ | _ |
| General and | _ | | (301,036) | _ | _ | _ | _ | | | _ | _ |
| administrative Advisor Fees | _ | (2,567) | (6,261,136) | _ | _ | _ | _ | | _ | _ | _ |
| | | (2,567) | (7.1(5.022) | | | | | | | | |
| Total operating expenses Operating Income (Loss) | | 2,148,674 | (7,165,923) (1,563,471) | _= | | | | | | | |
| Non-operating income | _ | 2,148,074 | (1,505,4/1) | | _ | _ | _ | | _ | _ | _ |
| (expense), net: Loss on debt | | | | | | | | | | | |
| extinguishment | _ | _ | 373,495 | _ | _ | _ | _ | _ | _ | _ | _ |
| Interest expense, net | _ | _ | (210,753) | _ | _ | _ | _ | _ | _ | _ | _ |
| Other non-operating expenses, net | _ | _ | 741,000 | _ | _ | _ | _ | _ | _ | _ | _ |
| Reorganization items | _ | _ | (1,750,139) | _ | _ | _ | _ | _ | _ | _ | _ |
| Total Non-operating income (expense), net: | | | (846,397) | _ | | | | | | | |
| Income (loss) before income taxes | | 2,148,674 | (2,409,868) | | | | | | | | |
| Income tax expense | | 2,140,074 | (113,769) | | | | | | | | _ |
| Net Income (Loss) | | 2,148,674 | (2,523,637) | | | | | | | | |
| reconce (Loss) | | 2,170,074 | (2,323,037) | | | | | | | | |

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

| In Re. Radar Relay, Ir | nc. | | § § | Case No. 22-90344 | |
|--|-------------------------------------|------------------|---------------|--|------------|
| | Debtor(s) | | . § § | Lead Case No. 22-90341 | |
| | Deoloi(3) | | 8 | | |
| Monthly Operating l | Report | | | | Chapter 11 |
| Reporting Period End | ed: 09/30/2023 | | | Petition Date: 12/21/2022 | |
| Months Pending: 9 | | | | Industry Classification: 3 3 4 1 | |
| Reporting Method: | | Accrual Basis | | Cash Basis □ | |
| Debtor's Full-Time E | mployees (current): | | | 0 | |
| Debtor's Full-Time E | mployees (as of date of order for | relief): | | 0 | |
| Supporting Docume | ntation (check all that are attache | ed): | | | |
| (For jointly administe | red debtors, any required schedul | les must be prov | vided on a no | n-consolidated basis for each debtor) | |
| Balance sheet c Statement of op Accounts receiv Postpetition liab Statement of ca Schedule of pay Schedule of pay All bank statem | pilities aging | the reporting po | eriod | | |
| /s/ Alfredo R. Pérez | | | _ | Alfredo R. Pérez | |
| Signature of Responsi | ble Party | | I | Printed Name of Responsible Party | |
| 10/31/2023 | | | | | |
| Date | | | - | 700 Louisiana Street, Suite 1700, Houston, Texas 77002 | |

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

| Del | otor's Name Radar Relay, Inc. | Case N | No. 22-90344 |
|-----|---|---------------|---------------|
| Par | 1: Cash Receipts and Disbursements | Current Month | Cumulative |
| a. | Cash balance beginning of month | \$ 0 | |
| b. | Total receipts (net of transfers between accounts) | \$ 0 | |
| c. | Total disbursements (net of transfers between accounts) | \$ 0 | |
| d. | Cash balance end of month (a+b-c) | \$ 0 | <u> </u> |
| e. | Disbursements made by third party for the benefit of the estate | \$ 0 | \$ 0 |
| f. | Total disbursements for quarterly fee calculation (c+e) | \$ 0 | \$ 0 |
| | | | |
| | t 2: Asset and Liability Status generally applicable to Individual Debtors. See Instructions.) | Current Month | |
| a. | Accounts receivable (total net of allowance) | \$ 1,160,033 | |
| b. | Accounts receivable over 90 days outstanding (net of allowance) | \$ 0 | |
| c. | Inventory (Book Market □ Other □ (attach explanation)) | \$ 0 | |
| d | Total current assets | \$ 1,172,767 | |
| e. | Total assets | \$-64,356,364 | |
| f. | Postpetition payables (excluding taxes) | \$ 0 | |
| g. | Postpetition payables past due (excluding taxes) | \$ 0 | |
| h. | Postpetition taxes payable | \$ 0 | |
| i. | Postpetition taxes past due | \$ 0 | |
| j. | Total postpetition debt (f+h) | \$ 0 | |
| k. | Prepetition secured debt | \$ 0 | |
| 1. | Prepetition priority debt | \$ 0 | |
| m. | Prepetition unsecured debt | \$ 0 | |
| n. | Total liabilities (debt) (j+k+l+m) | \$ 0 | |
| 0. | Ending equity/net worth (e-n) | \$-64,356,364 | |
| | | _ | |
| Par | t 3: Assets Sold or Transferred | Current Month | Cumulative |
| a. | Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ 0 | |
| b. | Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$ 0 | . |
| c. | Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ 0 | \$ 0 |
| | | | |
| | t 4: Income Statement (Statement of Operations) generally applicable to Individual Debtors. See Instructions.) | Current Month | Cumulative |
| a. | Gross income/sales (net of returns and allowances) | \$ 0 | |
| b. | Cost of goods sold (inclusive of depreciation, if applicable) | \$ 0 | |
| c. | Gross profit (a-b) | \$ 0 | |
| d. | Selling expenses | \$ 0 | |
| e. | General and administrative expenses | \$ 0 | |
| f. | Other expenses | \$ 0 | |
| g. | Depreciation and/or amortization (not included in 4b) | \$ 0 | |
| h. | Interest | \$ 0 | |
| i. | Taxes (local, state, and federal) | \$ 0 | |
| j. | Reorganization items | \$ 0 | |
| k. | Profit (loss) | \$ 0 | \$ -53,669 |
| | | | |

| | fessional Fees and Expenses | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulativ |
|-------|---|-------------------|---------------------------|------------------------|-----------------------|-------------------|
| Debt | or's professional fees & expergence egate Total | nses (bankruptcy) | | | | |
| Itami | ized Breakdown by Firm | 1 | | | | |
| пети | Firm Name | D -1- | | | | |
| | Firm Name | Role | | | | |
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| | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
|----|--|--------------------------|---------------------------|------------------------|-----------------------|--------------------|
| b. | Debtor's professional fees & Aggregate Total | expenses (nonbankruptcy) | | | | |
| | Itemized Breakdown by Firm | | | | | |
| | Firm Name | Role | | | | |
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| | c | | | | | | |
| c. | All pro | fessional fees and expenses (debt | or & committees) | \$0 | \$0 | \$0 | \$0 |

| Part 6 | : Postpetition Taxes | Current | Month | Cumulative | |
|--------|---|---------|-------|------------|---|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 |
| b. | Postpetition income taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |
| c. | Postpetition employer payroll taxes accrued | \$ | 0 | \$ | 0 |
| d. | Postpetition employer payroll taxes paid | \$ | 0 | \$ | 0 |
| e. | Postpetition property taxes paid | \$ | 0 | \$ | 0 |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 |
| g. | Postpetition other taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |

| Davt 7. (| Quactionnaira | During this | reporting period: |
|-----------|---------------|-------------|-------------------|
| | | | |

| Part ' | : Questionnaire - During this reporting period: | | | | |
|--------|---|-------|------|---------------|---------------------------|
| a. | Were any payments made on prepetition debt? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| b. | Were any payments made outside the ordinary course of business without court approval? | Yes □ | No ⊠ | | |
| | (if yes, see Instructions) | | | | |
| c. | Were any payments made to or on behalf of insiders? | Yes □ | No ⊠ | | |
| d. | Are you current on postpetition tax return filings? | Yes ⊠ | No □ | | |
| e. | Are you current on postpetition estimated tax payments? | Yes ⊠ | No □ | | |
| f. | Were all trust fund taxes remitted on a current basis? | Yes ⊠ | No □ | | |
| g. | Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| h. | Were all payments made to or on behalf of professionals approved by the court? | Yes □ | No □ | N/A ⊠ | |
| i. | Do you have: Worker's compensation insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ | (if no, see Instructions) |
| | Casualty/property insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ | (if no, see Instructions) |
| | General liability insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ | (if no, see Instructions) |
| j. | Has a plan of reorganization been filed with the court? | Yes ⊠ | No □ | | |
| k. | Has a disclosure statement been filed with the court? | Yes ⊠ | No □ | | |
| 1. | Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? | Yes ⊠ | No □ | | |

| De | btor's Name Radar Relay, Inc. | Case No. 22-90 | 344 |
|----|---|----------------|-----|
| Pa | rt 8: Individual Chapter 11 Debtors (Only) | | |
| a. | Gross income (receipts) from salary and wages | <u>\$</u> | 0 |
| b. | Gross income (receipts) from self-employment | \$ | 0 |
| c. | Gross income from all other sources | \$ | 0 |
| d. | Total income in the reporting period (a+b+c) | \$ | 0 |
| e. | Payroll deductions | \$ | 0 |
| f. | Self-employment related expenses | \$ | 0 |
| g. | Living expenses | \$ | 0 |
| h. | All other expenses | \$ | 0 |
| i. | Total expenses in the reporting period (e+f+g+h) | \$ | 0 |
| j. | Difference between total income and total expenses (d-i) | \$ | 0 |
| k | List the total amount of all postpetition debts that are past due | \$ | 0 |

Privacy Act Statement

Yes □

Yes □

 $\begin{array}{ccc} No \boxtimes & \\ No \square & N/A \boxtimes \end{array}$

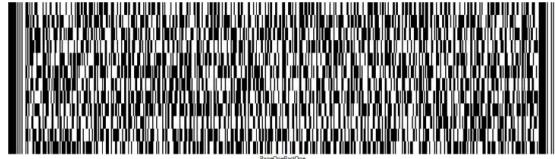
Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?

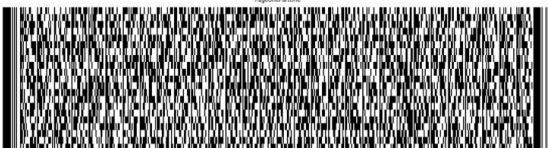
m. If yes, have you made all Domestic Support Obligation payments?

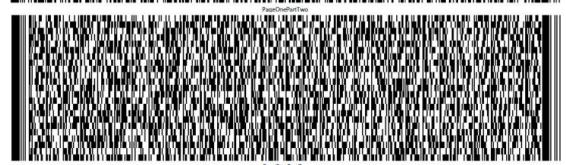
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

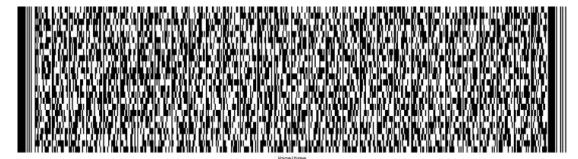
| /s/ Michael Bros | Michael Bros | | | | |
|---------------------------------------|-----------------------------------|--|--|--|--|
| Signature of Responsible Party | Printed Name of Responsible Party | | | | |
| SVP, Capital Markets and Acquisitions | 10/31/2023 | | | | |
| Title | Date | | | | |







NonBankruptcy51to100



IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:

\$ Chapter 11

CORE SCIENTIFIC, INC., et al.,

Debtors. 1

\$ (Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

1. Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave, Suite E-101, Austin, TX 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.
 - Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.
- 3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.
 - The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.
- 4. <u>Accounting Principles.</u> The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- Currency. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' receipt and disbursement reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

MOR-1: 9/1/2023 - 9/30/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Core Scientific Specialty Mining (Oklahoma) Core Core Core American American American Property Acquisition, LLC Starboard Property
Capital RADAR Acquisitions
LLC LLC I, LLC Property Acquisitions VII, LLC Core Scientific, Scientific Acquired Scientific Operating Radar Relay, Scientific Mining Description Inc. Mining LLC Company Inc. LLC LLC LLC Total Receipts
Operating Sales
Proceeds
Bitmain Coupon 1,903,870 2,238,422 23,412,610 27,554,903 Other Receipts 45 9,796,058 9,796,103 Total Receipts 1,903,915 2,238,422 33,208,669 37,351,006 Disbursements Suppliers or vendors Taxes / Governmental 1,789,755 1,988,941 20,803,184 24,581,881 496 5.188 130,530 1,365,265 Services Financial / Bank 7,649,138 9,144,933 7,856 90,024 82.168 Fees Employee Expense 304,078 3,180,477 3,484,554 9,438,893 37,307,075 202,710,006 **Total Disbursements** 2,431,900 25,436,282 Net Cash Flow (excl. Internal Transfers) (7,534,978) (193,478) 7,772,387 43,931 Cash Balance Beginning of Month Net Cash Flow 21,805,654 (7,534,978) 141,898 (193,478) 41,951,592 7,772,387 63,899,144 43,931 Disbursement Allocation 2,431,900 (2,431,900) Cash Balance End of Month (excl.
Internal Transfers) 14,270,676 2,380,320 47,292,079 63,943,075 Bank Cash Balance Beginning of Month Net Cash Flow (excl. 21,805,654 141,898 41,951,592 63,899,144 Internal Transfers; w/ Allocation) (7,534,978) (193,478) 7,772,387 43,931 MOR Part 1 d. Cash Balance \$14,270,676 **\$** (51,580) \$49,723,979 \$ \$ 63,943,075 Reversing Disbursement Allocation
Internal Transfers
Cash Balance End 2 431 900 (2.431.900)8,485,968 (2,185,000) (6,300,968) \$ 63,943,075 of Month \$22,756,644 \$ 195,320 \$40,991,111 **\$**

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Elimination Co | Total ¹ |
|---|-----------------------------|--|---|----------------------|-------------------------------------|--|---|-----------------------------|--------------|--|--|-------------------|-------------------------|
| (dollars in thousands) | | Willing LLC | Company | Keray, Inc. | LLC | LLC | LLC | LLC | LLC | | VII, LLC | | Iotai |
| ASSETS Cash and | | | | | | | | | | | | | |
| Equivalents | 1,764,468 | 195,320 | 40,186,086 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 42,145 |
| Restricted Cash Total Cash | 20,992,176 22,756,644 | 195,320 | 805,024 40,991,110 | | | | | | | | | | 21,797 63,943 |
| Accounts | 22,730,044 | 173,520 | 40,771,110 | | | | | | | | | | 05,745 |
| receivable, net of allowance | _ | _ | 1,109,073 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,109 |
| Accounts | | | 1,100,075 | | | | | | | | | | 1,10) |
| receivable from related parties | 466,233,865 | 153,152,561 | (472,397,274) | 1,160,033 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) | |
| Deposits for | ,, | 100,102,001 | | 1,100,000 | | | | | | | | (-10,10,100) | |
| equipment Digital currency | _ | _ | | | | _ | | | | _ | _ | _ | |
| assets Prepaid expenses | _ | _ | 559,280 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 559 |
| and other | _ | 22,598,120 | 27,041,221 | _ | _ | _ | _ | _ | _ | _ | _ | (22,593,530) | 27,045 |
| Total other current assets | 1,840,530,509 | (1,128,185,364) | (706,365,615) | 12,734 | _ | _ | _ | _ | _ | _ | _ | _ | 5,992 |
| Total Current | | | | | | | | | | | | | |
| Assets Property, plant and | 2,329,521,017 | (952,239,363) | (1,109,062,205) | 1,172,767 | _ | _ | _ | _ | _ | _ | _ | (170,742,714) | 98,649 |
| equipment | _ | 43,553,074 | 521,053,333 | _ | _ | _ | _ | _ | _ | _ | _ | (15,616,704) | 548,989 |
| Operating lease-right-of-use | | | | | | | | | | | | | |
| assets Goodwill | | 232,587,379 | 6,583,247 (167,058,249) | (65,529,130) | _ | _ | _ | _ | _ | _ | _ | _ | 6,583 |
| Intangible assets, | _ | 232,361,319 | , , , , , , | (03,329,130) | _ | _ | _ | _ | _ | _ | _ | _ | |
| net Other noncurrent | | | 2,447,508 | _ | | | _ | | | _ | | _ | 2,447 |
| assets | 2,558,789 | (0) | 46,232,768 | | | | | | | | | | 48,791 |
| Total Assets LIABILITIES, | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | | | | | | | | (186,359,418) | 705,461 |
| PREFERRED STOCK & EQUITY | | | | | | | | | | | | | |
| Accounts Payable Accrued expenses | | 148,157,171 | 78,794,824 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) | 78,804 |
| and other | 199,366 | 18,136,331 | 54,733,437 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 73,069 |
| Deferred revenue Derivative warrant | | | 101,652,116 | _ | | | _ | | | _ | | (38,481,727) | 63,170 |
| liabilities | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Operating lease liabilities, current | | | | | | | | | | | | | |
| portion Financing lease | | | 204,516 | | | _ | | | | _ | _ | _ | 204 |
| liabilities, current | | | | | | | | | | | | | |
| portion Long-term debt, | _ | _ | 19,832,575 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 19,832 |
| current portion | (559,901,857) | | 723,122,505 | | | | | | | | | | 163,220 |
| Total current liabilities Operating lease | (559,702,491) | 166,293,502 | 978,339,973 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (186,630,911) | 398,301 |
| liabilities, net of | | | 1.046.640 | | | | | | | | | | 1016 |
| current portion Financing lease | _ | | 1,046,649 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,046 |
| liabilities, net of current portion | | | 35,908,670 | | | | | | | | | | 35,908 |
| Long-term debt, net | _ | _ | | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| of current portion Other noncurrent | 568,258,150 | _ | 113,884,055 | _ | _ | _ | _ | _ | | _ | _ | _ | 682,142 |
| liabilities | | 18,084,856 | (14,337,349) | (2,587,769) | | | | | | | | | 1,159 |
| Total Liabilities Pre-Petition Subject | 8,555,659 | 184,378,359 | 1,114,841,999 | (2,586,019) | _ | _ | _ | | | _ | | (186,630,911) | 1,118,559 |
| to Compromise | 684,395,370 | | (684,395,370) | | | | | | | | | | |
| Total Pre-Petition Subject to | | | | | | | | | | | | | |
| Compromise | 684,395,370 | | (684,395,370) | _ | _ | | _ | | | | _ | | |
| Preferred stock Common stock | 37,478 | | | _ | _ | | _ | _ | _ | _ | _ | _ | 37 |
| Additional paid-in capital | 1,818,873,138 | (15,979,141) | 2,887,621 | | | | | | | | | | 1,805,781 |
| Accumulated | | ` ' ' ' | | | | | | | | | | | |
| deficit Other | (179,781,838) | (844,545,110) | (1,133,137,849) | (61,770,345) | | | | | | | | 318,476 | (2,218,916 |
| Comprehensive | | | | | | | | | | | | | |
| Income Cumulative | _ | _ | _ | _ | | _ | | _ | | | _ | _ | |
| Translation Adjustment | _ | 46,983 | _ | _ | _ | _ | _ | _ | _ | _ | _ | (46,983) | |
| Total Equity | 1,639,128,778 | (860,477,269) | (1,130,250,228) | (61,770,345) | | | | | | | | 271,494 | (413,097 |
| Total Liabilities, Preferred Stock & | | | | | | <u>-</u> - | <u>-</u> | | | <u></u> | | | <u></u> |
| Equity | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | _ | _ | _ | _ | _ | _ | _ | (186,359,418) | 705,461 |

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

MOR-3: 9/1/2023 - 9/30/2023 Profit & Loss

| | | Core | | | | Core Scientific | | | | | |
|--|---------------------|---------------|----------------------|---------------|---------------|--------------------|---------------------|----------------|-------|------------------------|-------------------------|
| | | Scientific | Core | | Core | Specialty | American | | | American | American |
| | Core | Acquired | Scientific | Radar | | Mining | Property | Starboard | DADAD | Property | Property |
| | Scientific, Inc. | Mining LLC | Operating Company | Relay, Inc | Mining LLC | (Oklahoma) LLC | Acquisition, LLC | Capital LLC | LLC | Acquisitions I. LLC | Acquisitions VII.LLC |
| Total Revenue | IIIC. | LLC | Company | IIIC | LLC | LLC | LLC | LLC | LLC | I, LLC | VII,EEC |
| (dollars in thousands) | | | | | | | | | | | |
| Hosting revenue from customers | _ | _ | 8,954,530 | _ | _ | _ | _ | _ | _ | _ | _ |
| Hosting revenue from related | | | | | | | | | | | |
| parties | _ | _ | 2,544,537 | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to customers | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to related parties | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Digital asset mining income | _ | 2,160,518 | 23,285,302 | _ | _ | _ | _ | _ | _ | _ | _ |
| Network services and defi revenue | | | | | | | | | | | |
| Total Revenue | | 2,160,518 | 34,784,369 | | | | | | | | |
| Cost of revenue | | | (28,856,998) | | | | | | | | |
| Gross Profit | | 2,160,518 | 5,927,371 | _ | | | | | | | _ |
| Gain (loss) on legal settlements | | | | | | | | | | | |
| Gain (loss) from sales of digital | | | | | | | | | | | |
| currency assets | _ | 1,616 | 178,047 | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairments of digital currency | | | | | | | | | | | |
| assets | _ | (10,893) | (163,462) | _ | _ | _ | _ | _ | _ | _ | |
| Impairment of goodwill and other | | | | | | | | | | | |
| intangibles | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of property, plant and | | | | | | | | | | | |
| equipment | | | | _ | | | | | | | |
| Losses on exchange or disposal of | | | (220 504) | | | | | | | | |
| property, plant and equipment Operating expenses: | _ | _ | (339,504) | _ | _ | _ | _ | _ | | _ | _ |
| Research and development | | _ | (603,750) | | | | | | | | |
| Sales and marketing | _ | _ | (301,036) | | | _ | _ | _ | | _ | _ |
| General and administrative | | (2,567) | (6,261,136) | | | | | | | | _ |
| Advisor Fees | | (2,307) | (0,201,130) | | _ | | | | | | _ |
| Total operating expenses | | (2,567) | (7,165,923) | | | | | | | | |
| Operating Income (Loss) | | 2,148,674 | $\overline{}$ | | | | | | | | |
| Non-operating income (expense), net: | | 2,148,074 | (1,563,471) | _ | | | | | | | _ |
| Loss on debt extinguishment | | | 373,495 | _ | | | | | | | |
| Interest expense, net | | _ | (210,753) | | _ | | | | | | |
| Other non-operating expenses, net | | | 741,000 | | | | | | | | |
| Reorganization items | _ | _ | (1,750,139) | _ | _ | _ | _ | _ | _ | _ | |
| Total Non-operating income (expense), | | | (1,700,107) | | | | | | | | |
| net: | _ | _ | (846,397) | _ | _ | _ | _ | _ | _ | _ | _ |
| Income (loss) before income taxes | | 2,148,674 | (2,409,868) | | | | | | | | |
| Income tax expense | _ | 2,170,074 | (113,769) | _ | _ | | | | | | |
| Net Income (Loss) | | 2,148,674 | (2,523,637) | | | | | | | | |
| Net Income (Loss) | = | 4,140,074 | (2,323,037) | _ | _= | | = | = | = | | |

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

| in Re. Core Scientific Specialty Mining (Oklahoma) LLC | § § | Case No. 22-90345 Lead Case No. 22-90341 | |
|--|-------------------------|---|------------|
| Debtor(s) | | | |
| Monthly Operating Report | | | Chapter 11 |
| Reporting Period Ended: 09/30/2023 | | Petition Date: 12/21/2022 | |
| Months Pending: 9 | | Industry Classification: 3 3 4 1 | |
| Reporting Method: | Accrual Basis | Cash Basis | |
| Debtor's Full-Time Employees (current): | | 0 | |
| Debtor's Full-Time Employees (as of date of order for relief): | | 0 | |
| Supporting Documentation (check all that are attached): | | | |
| For jointly administered debtors, any required schedules must | be provided on a non-co | nsolidated basis for each debtor) | |
| Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the a Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for the report Description of the assets sold or transferred and the terms | orting period | ity (net worth) or deficit | |
| s/Alfredo R. Pérez | A | lfredo R. Pérez | |
| Signature of Responsible Party | P | rinted Name of Responsible Party | |
| 10/31/2023 | | | |
| Date | _ | 00 Louisiana Street, Suite 1700, Houston, Texas ddress | 77002 |
| | | | |

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

| Part 1 | : Cash Receipts and Disbursements | Current Month | Cumulative |
|---|---|----------------------|------------|
| a. | Cash balance beginning of month | \$ 0 | |
| b. | Total receipts (net of transfers between accounts) | \$ 0 | \$ 0 |
| c. | Total disbursements (net of transfers between accounts) | \$ 0 | \$ 0 |
| d. | Cash balance end of month (a+b-c) | \$ 0 | |
| e. | Disbursements made by third party for the benefit of the estate | \$ 0 | \$ 0 |
| f. | Total disbursements for quarterly fee calculation (c+e) | \$ 0 | \$ 0 |
| Part 2: Asset and Liability Status | | | |
| | enerally applicable to Individual Debtors. See Instructions.) | Current Month | |
| a. | Accounts receivable (total net of allowance) | \$ 0 | |
| b. | Accounts receivable over 90 days outstanding (net of allowance) | \$ 0 | |
| c. | Inventory (Book Market □ Other □ (attach explanation)) | \$ 0 | |
| d | Total current assets | \$ 0 | |
| e. | Total assets | \$ 0 | |
| f. | Postpetition payables (excluding taxes) | \$ 0 | |
| g. | Postpetition payables past due (excluding taxes) | \$ 0 | |
| h. | Postpetition taxes payable | \$ 0 | |
| i. | Postpetition taxes past due | \$ 0 | |
| j. | Total postpetition debt (f+h) | \$ 0 | |
| k. | Prepetition secured debt | \$ 0 | |
| l. | Prepetition priority debt | \$ 0 | |
| m. | Prepetition unsecured debt | \$ 0 | |
| n. | Total liabilities (debt) (j+k+l+m) | \$ 0 | |
| 0. | Ending equity/net worth (e-n) | \$ 0 | |
| Part 3: Assets Sold or Transferred Current Month Cu | | | Cumulative |
| a. | Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ 0 | \$ 0 |
| b. | Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$ 0 | \$ 0 |
| c. | Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ 0 | \$ 0 |
| | | | |
| | : Income Statement (Statement of Operations) enerally applicable to Individual Debtors. See Instructions.) | Current Month | Cumulative |
| a. | Gross income/sales (net of returns and allowances) | \$ 0 | |
| b. | Cost of goods sold (inclusive of depreciation, if applicable) | \$ 0 | |
| c. | Gross profit (a-b) | \$ 0 | |
| d. | Selling expenses | \$ 0 | |
| e. | General and administrative expenses | \$ 0 | |
| f. | Other expenses | \$ 0 | |
| g. | Depreciation and/or amortization (not included in 4b) | \$ 0 | |
| h. | Interest | \$ 0 | |
| i. | Taxes (local, state, and federal) | \$ 0 | |
| j. | Reorganization items | \$ 0 | |
| k. | Profit (loss) | \$ 0 | \$ 0 |

| Part | 5: Professional | Fees and Expenses | | | | D 110 | L 5.1 |
|------|-----------------|----------------------------|------------------------------|---------------------------|------------------------|-----------------------|--------------------|
| | | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
| a. | Debtor's pr | ofessional fees & expenses | (bankruptcy) Aggregate Total | | | | |
| | Itemized Br | eakdown by Firm | | | | | |
| Ī | | Firm Name | Role | | | | |
| Ī | i | | | | | | |
| | ii | | | | | | |
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| | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
|----|-------------------------------------|-------------------------------------|---------------------------|------------------------|-----------------------|--------------------|
| b. | Debtor's professional fees & expens | ses (nonbankruptcy) Aggregate Total | | | | |
| | Itemized Breakdown by Firm | | | | | |
| | Firm Name | Role | | | | |
| | i | | | | | |
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| Γ | xxxii | | | | | |
| Γ | xxxiii | | | | | |
| Ī | xxxiv | | | | | |
| Ī | XXXV | | | | | |
| Ī | xxxvi | | | | | |
| Ī | xxxvii | | | | | |
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| Ī | xxxix | | | | | |
| | xl | | | | | |
| Ī | xli | | | | | |
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| Ī | xliii | | | | | |
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| xevii | | | | | |
| xeviii | | | | | |
| xcix | | | | | |
| С | | | | | |
| All professional fees and expenses (debt | or & committees) | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

| Part 6: | Postpetition Taxes | Curren | t Month | Cumulative | |
|---------|---|--------|---------|------------|---|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 |
| b. | Postpetition income taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |
| c. | Postpetition employer payroll taxes accrued | \$ | 0 | \$ | 0 |
| d. | Postpetition employer payroll taxes paid | \$ | 0 | \$ | 0 |
| e. | Postpetition property taxes paid | \$ | 0 | \$ | 0 |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 |
| g. | Postpetition other taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |

| Par | t 7: Questionnaire - During this reporting period: | | | | |
|-----|--|-------|------|-----------------|---------------------------|
| a. | Were any payments made on prepetition debt? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| b. | Were any payments made outside the ordinary course of business without court approval? (if | Yes □ | No ⊠ | | |
| | yes, see Instructions) | | | | |
| c. | Were any payments made to or on behalf of insiders? | Yes □ | No ⊠ | | |
| d. | Are you current on postpetition tax return filings? | Yes ⊠ | No □ | | |
| e. | Are you current on postpetition estimated tax payments? | Yes ⊠ | No □ | | |
| f. | Were all trust fund taxes remitted on a current basis? | Yes ⊠ | No □ | | |
| g. | Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| h. | Were all payments made to or on behalf of professionals approved by the court? | Yes □ | No □ | $N/A \boxtimes$ | |
| i. | Do you have: Worker's compensation insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ | (if no, see Instructions) |
| | Casualty/property insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ | (if no, see Instructions) |
| | General liability insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ | (if no, see Instructions) |
| j. | Has a plan of reorganization been filed with the court? | Yes ⊠ | No □ | | |
| k. | Has a disclosure statement been filed with the court? | Yes ⊠ | No □ | | |
| 1. | Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? | Yes ⋈ | No □ | | |

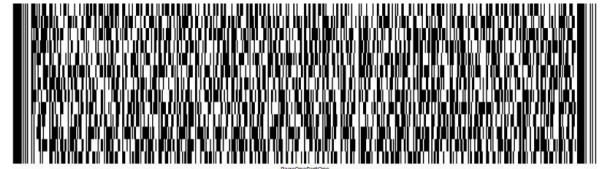
| Part 8: Individual Chapter 11 Debtors (Only) | | |
|--|-------|------------------------------|
| Gross income (receipts) from salary and wages | \$ | 0 |
| b. Gross income (receipts) from self-employment | \$ | 0 |
| c. Gross income from all other sources | \$ | 0 |
| d. Total income in the reporting period (a+b+c) | \$ | 0 |
| e. Payroll deductions | \$ | 0 |
| f. Self-employment related expenses | \$ | 0 |
| g. Living expenses | \$ | 0 |
| h. All other expenses | \$ | 0 |
| i. Total expenses in the reporting period (e+f+g+h) | \$ | 0 |
| j. Difference between total income and total expenses (d-i) | \$ | 0 |
| k. List the total amount of all postpetition debts that are past due | \$ | 0 |
| 1. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes □ | No ⊠ |
| m. If yes, have you made all Domestic Support Obligation payments? | Yes □ | No \square N/A \boxtimes |

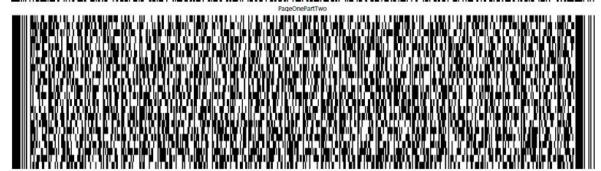
Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

| /s/ Michael Bros | Michael Bros | |
|---------------------------------------|-----------------------------------|--|
| Signature of Responsible Party | Printed Name of Responsible Party | |
| SVP, Capital Markets and Acquisitions | 10/31/2023 | |
| Title | Date | |





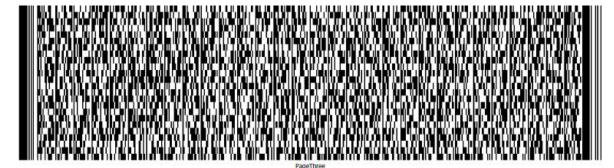
Page Two Part Tour

Bankruptcy1to5

Bankruptcy51to100

NonBankruptcy1to50

ankruptcy



PageFour

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

\$ Chapter 11
 \$
 \$ Case No. 22-90341(CML)

In re:

CORE SCIENTIFIC, INC., et al.,

Debtors.1

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

(Jointly Administered)

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

1. <u>Introduction</u>. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave, Suite E-101, Austin, TX 78704.

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accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.
 - Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.
- 3. <u>Basis of Presentation</u>. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisitions LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.
 - The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.
- 4. <u>Accounting Principles.</u> The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.
 - The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a

consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- 8. Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

MOR-1: 9/1/2023 - 9/30/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

| | Core Scientific, | Core Scientific Acquired Mining | Core Scientific Operating | Relay, | Core Scientific Mining | | American Property Acquisition, | | | American Property Acquisitions I, | | |
|--|---------------------|--|---------------------------------|--|--|---|--|-------------|--|---|-------------|---------------------------|
| Description | Inc. | LLC | Company | Inc. | LLC | LLC | LLC | LLC | LLC | LLC | VII, LLC | Total |
| Receipts | | | | | | | | | | | | |
| Operating Sales Proceeds | 1,903,870 | 2,238,422 | 23,412,610 | _ | _ | _ | _ | _ | _ | _ | _ | 27,554,903 |
| Bitmain Coupon Sales | _ | _ | | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Other Receipts | 45 | | 9,796,058 | | | | | | | | | 9,796,103 |
| Total Receipts Disbursements | 1,903,915 | 2,238,422 | 33,208,669 | _ | _ | _ | _ | _ | _ | _ | _ | 37,351,006 |
| Suppliers or vendors Taxes / | 1,789,755 | 1,988,941 | 20,803,184 | _ | _ | _ | _ | _ | _ | _ | _ | 24,581,881 |
| Governmental | _ | 496 | 5,188 | _ | _ | _ | _ | _ | _ | _ | _ | 5,684 |
| Services | 7,649,138 | 130,530 | 1,365,265 | _ | _ | _ | _ | _ | _ | _ | _ | 9,144,933 |
| Financial / Bank | .,, | | ,, | | | | | | | | | , , , , |
| Fees | _ | 7.856 | 82.168 | _ | _ | _ | _ | _ | _ | _ | _ | 90,024 |
| Employee Expense | _ | 304.078 | 3.180.477 | _ | _ | _ | _ | _ | _ | _ | _ | 3,484,554 |
| Total Disbursements | 9,438,893 | 2,431,900 | 25,436,282 | | | | | _ | | | | 37,307,075 202,710,006 |
| Net Cash Flow (excl. | | | | | | | | | | | | |
| Internal Transfers) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| Cash Balance Beginning of | | | | | | | | | | | | |
| Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Disbursement Allocation | _ | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash Balance End of Month (excl. Internal Transfers) | 14,270,676 | 2,380,320 | 47,292,079 | | | | | | | | | 63,943,075 |
| Bank Cash Balance Beginning of Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow (excl. Internal Transfers; w/ Allocation) | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| MOR Part 1 d. | (7,000 1,0 7.0) | (1,0,1,0) | | | | | | | | | | , |
| Cash Balance | \$14,270,676 | \$ (51,580) | \$49,723,979 | <u>s —</u> | <u>s — </u> | <u>s – </u> | <u>s – </u> | <u>s</u> – | <u>s — </u> | <u>s </u> | <u>s – </u> | \$ 63,943,075 |
| Reversing Disbursement Allocation | _ | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Internal Transfers Cash Balance End | 8,485,968 | (2,185,000) | (6,300,968) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| of Month | \$22,756,644 | <u>\$ 195,320</u> | \$40,991,111 | <u>s </u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s — </u> | <u>s </u> | <u>s </u> | <u>s</u> | \$ 63,943,075 |

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard , Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Elimination Co | Total ¹ |
|---|--------------------------|---|--|----------------------------|-------------------------------------|--|---|-------------------------------|--------------|---|---|-------------------|----------------------|
| (dollars in | | | | | | | | | | | | | |
| thousands) ASSETS | | | | | | | | | | | | | |
| Cash and | 1.764.460 | 105 220 | 40.107.007 | | | | | | | | | | 42.145.1 |
| Equivalents Restricted Cash | 1,764,468 20,992,176 | 195,320 | 40,186,086 805,024 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 42,145,1 21,797,1 |
| Total Cash | 22,756,644 | 195,320 | 40,991,110 | _ | | | | | | | | | 63,943, |
| Accounts receivable, net of | | | | | | | | | | | | | |
| allowance | _ | _ | 1,109,073 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,109,0 |
| Accounts receivable from | | | | | | | | | | | | | |
| related parties | 466,233,865 | 153,152,561 | (472,397,274) | 1,160,033 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) | |
| Deposits for | | | | | | | | | | | | | |
| equipment Digital currency | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| assets | _ | _ | 559,280 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 559, |
| Prepaid expenses and other | _ | 22,598,120 | 27,041,221 | _ | _ | _ | _ | _ | _ | _ | _ | (22,593,530) | 27,045, |
| Total other current | 1 840 520 500 | (1.120.105.2(4) | | 12.724 | | | | | | | | | |
| assets Total Current | 1,840,530,509 | (1,128,185,364) | (706,365,615) | 12,734 | | | | | | | | | 5,992, |
| Assets | 2,329,521,017 | (952,239,363) | (1,109,062,205) | 1,172,767 | _ | _ | _ | _ | _ | _ | _ | (170,742,714) | 98,649, |
| Property, plant and equipment | _ | 43,553,074 | 521,053,333 | _ | _ | | | _ | _ | | | (15,616,704) | 548,989, |
| Operating | | 45,555,074 | 321,033,333 | | | | | | | | | (13,010,704) | 340,707, |
| lease-right-of-use assets | | | 6,583,247 | | | | | | | | | | 6,583,1 |
| Goodwill | | 232,587,379 | (167,058,249) | (65,529,130) | _ | _ | | | | _ | _ | | 0,565,. |
| Intangible assets, | | | 2 447 509 | | | | | | | | | | 2,447, |
| net Other noncurrent | _ | _ | 2,447,508 | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| assets | 2,558,789 | (0) | 46,232,768 | | | | | | | | | | 48,791, |
| Total Assets LIABILITIES, | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | | | | | | | | (186,359,418) | 705,461, |
| PREFERRED | | | | | | | | | | | | | |
| STOCK & EQUITY Accounts Payable | | 148,157,171 | 78,794,824 | 1,750 | | | | | | | | (148,149,184) | 78,804, |
| Accrued expenses | _ | 140,137,171 | 76,794,624 | 1,730 | _ | _ | _ | _ | _ | _ | _ | (140,149,104) | 70,004,. |
| and other | 199,366 | 18,136,331 | 54,733,437 | _ | _ | _ | _ | _ | _ | _ | _ | (29 491 727) | 73,069, |
| Deferred revenue Derivative warrant | _ | _ | 101,652,116 | _ | _ | _ | _ | _ | | _ | _ | (38,481,727) | 63,170, |
| liabilities | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Operating lease liabilities, current | | | | | | | | | | | | | |
| portion | _ | _ | 204,516 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 204,: |
| Financing lease liabilities, current | | | | | | | | | | | | | |
| portion | | | 19,832,575 | _ | _ | _ | _ | _ | | _ | _ | | 19,832, |
| Long-term debt, current portion | (559,901,857) | _ | 723,122,505 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 163,220, |
| Total current | | | | | | | | | | | | | |
| liabilities Operating lease | (559,702,491) | 166,293,502 | 978,339,973 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (186,630,911) | 398,301, |
| liabilities, net of | | | | | | | | | | | | | |
| current portion Financing lease | _ | _ | 1,046,649 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,046, |
| liabilities, net of | | | | | | | | | | | | | |
| current portion Long-term debt, net | | | 35,908,670 | | | | _ | _ | | | | | 35,908, |
| of current portion | 568,258,150 | _ | 113,884,055 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 682,142,2 |
| Other noncurrent liabilities | | 18,084,856 | (14 227 240) | (2.597.760) | | | | | | | | | 1,159, |
| Total Liabilities | 8,555,659 | 184,378,359 | (14,337,349) 1,114,841,999 | (2,587,769) (2,586,019) | | | | | | | | (186,630,911) | |
| Pre-Petition Subject | | 101,070,003 | | (2,000,01)) | | | | | | | | (100,000,711) | 1,110,000, |
| to Compromise Total Pre-Petition | 684,395,370 | | (684,395,370) | | _= | | | | | | | | |
| Subject to | | | | | | | | | | | | | |
| Compromise Preferred stock | 684,395,370 | _ | (684,395,370) | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Common stock | 37,478 | | _ | _ | | _ | | _ | | | | _ | 37, |
| Additional paid-in | | (15.070.141) | 2.007.621 | | | | | | | | | | |
| capital Accumulated | 1,818,873,138 | (15,979,141) | 2,887,621 | | | | | _ | | _ | _ | _ | 1,805,781, |
| deficit | (179,781,838) | (844,545,110) | (1,133,137,849) | (61,770,345) | _ | _ | _ | _ | _ | _ | _ | 318,476 | (2,218,916, |
| Other Comprehensive | | | | | | | | | | | | | |
| Income | | _ | | _ | | _ | | | _ | | _ | _ | |
| Cumulative Translation | | | | | | | | | | | | | |
| Adjustment | | 46,983 | | | | | | | | | | (46,983) | |
| Total Equity Total Liabilities, | 1,639,128,778 | (860,477,269) | (1,130,250,228) | (61,770,345) | | | | | | | | 271,494 | (413,097, |
| Preferred Stock & | | | | | | | | | | | | | |
| Equity | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | _ | _ | _ | _ | _ | _ | _ | (186,359,418) | 705,461, |

¹ The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

MOR-3: 9/1/2023 - 9/30/2023 Profit & Loss

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC |
|---|-----------------------------|---|--|------------------------|-------------------------------------|--|------------------------------------|-----------------------------|--------------|--|--|
| Total Revenue | | | | | | | | | | | |
| (dollars in thousands) Hosting revenue from customers | _ | _ | 8,954,530 | _ | _ | _ | _ | _ | _ | _ | _ |
| Hosting revenue from related parties | _ | _ | 2,544,537 | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to customers | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to | | | | | | | | | | | |
| related parties | | _ | _ | _ | _ | | _ | | _ | _ | |
| Digital asset mining income | _ | 2,160,518 | 23,285,302 | _ | _ | _ | _ | _ | _ | _ | _ |
| Network services and | | | | | | | | | | | |
| defi revenue | | | | | | | | | | | |
| Total Revenue | | 2,160,518 | 34,784,369 | | | | | | | | |
| Cost of revenue | | | (28,856,998) | | | | | | | | |
| Gross Profit | | 2,160,518 | 5,927,371 | | | | | | | | |
| Gain (loss) on legal settlements | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Gain (loss) from sales of digital currency assets | _ | 1,616 | 178,047 | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairments of digital currency assets | _ | (10,893) | (163,462) | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of goodwill and other intangibles | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of property, plant and equipment | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Losses on exchange or disposal of property, plant and equipment | _ | | (339,504) | | _ | | _ | | _ | _ | _ |
| Operating expenses: | | _ | (337,304) | | | | | | | | |
| Research and | | | | | | | | | | | |
| development | _ | _ | (603,750) | _ | _ | _ | _ | _ | _ | _ | _ |
| Sales and marketing | | | (301,036) | _ | | | | | | | |
| General and administrative | _ | (2,567) | (6,261,136) | _ | _ | _ | _ | _ | _ | _ | _ |
| Advisor Fees | | | | | | | | | | | |
| Total operating expenses | | (2,567) | (7,165,923) | | | | | | | | |
| Operating Income (Loss) Non-operating income | | 2,148,674 | (1,563,471) | _ | _ | _ | _ | _ | _ | _ | _ |
| (expense), net: Loss on debt | | | 2=2 40= | | | | | | | | |
| extinguishment | _ | | 373,495 | | | _ | _ | | _ | _ | _ |
| Interest expense, net Other non-operating | _ | _ | (210,753) | | _ | _ | _ | _ | _ | _ | _ |
| expenses, net | _ | _ | 741,000 | _ | _ | | | _ | _ | | |
| Reorganization items | | _ | (1,750,139) | | | | | | | | |
| Total Non-operating income (expense), net: | | | (846,397) | | | | | | | | |
| Income (loss) before income | | | (040,337) | | | | | | | | |
| taxes Income tax expense | _ | 2,148,674 | (2,409,868) (113,769) | _ | _ | _ | _ | _ | _ | _ | _ |
| Net Income (Loss) | | 2,148,674 | (2,523,637) | | | | | | | | |
| Net Income (Loss) | | 4,140,074 | (2,323,037) | | | | | | | | |

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

| In Re. American Property Acquisition, LLC | | Case No. 22 | 2-90346 |
|--|--------------------------------|--------------------------------|--|
| Debtor(s) | | Lead Case | No. 22-90341 |
| Deotor(s) | | | dministered |
| Monthly Operating Report | | | Chapter 1 |
| Reporting Period Ended: 09/30/2023 | | Petition Da | te: 12/21/2022 |
| Months Pending: 9 | | Industry Cl | assification: 3 3 4 1 |
| Reporting Method: | Accrual Basis | (| Cash Basis |
| Debtor's Full-Time Employees (current): | | (|) |
| Debtor's Full-Time Employees (as of date of order | r for relief): | (|) |
| Supporting Documentation (check all that are at | tached): | | |
| (For jointly administered debtors, any required sch | nedules must be pro | vided on a non-consolidated ba | asis for each debtor) |
| Balance sheet containing the summary and of Statement of operations (profit or loss stater Accounts receivable aging □ Postpetition liabilities aging □ Statement of capital assets □ Schedule of payments to professionals □ Schedule of payments to insiders □ All bank statements and bank reconciliation □ Description of the assets sold or transferred | detail of the assets, nent) | eriod | ı) or deficit |
| /s/ Alfredo R. Pérez | | Alfredo R. Pére | z |
| Signature of Responsible Party | | Printed Name or | f Responsible Party |
| 10/31/2023 | | <u> </u> | |
| Date | | 700 Louisiana S Address | Street, Suite 1700, Houston, Texas 77002 |

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

| | L. Cook Descripts and Dishursoments | G AM d | 6 1. |
|------------|--|-----------------------|----------------|
| a. | 1: Cash Receipts and Disbursements Cash balance beginning of month | S 0 | Cumulative |
| b. | Total receipts (net of transfers between accounts) | \$ 0 | \$ 0 |
| c. | Total disbursements (net of transfers between accounts) | \$ 0 | \$ 0 |
| d. | Cash balance end of month (a+b-c) | \$ 0 | y 0 |
| | Disbursements made by third party for the benefit of the estate | \$ 0 | \$ 0 |
| e. f. | | \$ 0 | \$ 0 \$ 0 |
| 1. | Total disbursements for quarterly fee calculation (c+e) | <u>\$</u> 0 | 3 0 |
| Part | 2: Asset and Liability Status | | |
| | enerally applicable to Individual Debtors. See Instructions.) Accounts receivable (total net of allowance) | S 0 | |
| a. | , | <u> </u> | |
| b. | Accounts receivable over 90 days outstanding (net of allowance) | \$ 0 | |
| c. | Inventory (Book Market □ Other □ (attach explanation)) | \$ 0 | |
| d | Total current assets | \$ 0 | |
| e. | Total assets | \$ 0 | |
| f. | Postpetition payables (excluding taxes) | \$ 0 | |
| g. | Postpetition payables past due (excluding taxes) | \$ 0 | |
| h. | Postpetition taxes payable | \$ 0 | |
| i. | Postpetition taxes past due | \$ 0 | |
| j. | Total postpetition debt (f+h) | \$ 0 | |
| k. | Prepetition secured debt | \$ 0 | |
| 1. | Prepetition priority debt | \$ 0 | |
| m. | Prepetition unsecured debt | \$ 0 | |
| n. | Total liabilities (debt) (j+k+l+m) | \$ 0 | |
| 0. | Ending equity/net worth (e-n) | \$ 0 | |
| Dort | 3: Assets Sold or Transferred | Current Month | Cumulative |
| a. | Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ 0 | \$ 0 |
| b. | Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$ 0 | \$ 0 |
| c. | Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ 0 | \$ 0 |
| C . | rect classif proceeds from assets sorta attributed dutotae are ordinary course of dustriess (a b) | Ψ | Ψ 0 |
| Part | 4: Income Statement (Statement of Operations) | C 134 4 | 6 10 |
| a. | generally applicable to Individual Debtors. See Instructions.) Gross income/sales (net of returns and allowances) | Current Month \$ 0 | Cumulative |
| b. | Cost of goods sold (inclusive of depreciation, if applicable) | \$ 0 | |
| c. | Gross profit (a-b) | \$ 0 | |
| d. | Selling expenses | \$ 0 | |
| e. | General and administrative expenses | \$ 0 | |
| f. | Other expenses | \$ 0 | |
| | Depreciation and/or amortization (not included in 4b) | \$ 0 | |
| g. h. | Interest | \$ 0 | |
| | Taxes (local, state, and federal) | \$ 0 | |
| 1. i | Reorganization items | \$ 0 | |
| j. k. | | \$ 0 | \$ 0 |
| K. | Profit (loss) | 3 0 | 3 U |

| Fart | 5. Froiessiona | l Fees and Expenses | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
|------|----------------|-------------------------------|-----------------------------|---------------------------|------------------------|-----------------------|--------------------|
| a. | Debtor's pr | rofessional fees & expenses (| bankruptcy) Aggregate Total | | | | |
| | Itemized Br | reakdown by Firm | | | | | |
| | | Firm Name | Role | | | | |
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| | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
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| b. | Debtor's professional fees & expense | s (nonbankruptcy) Aggregate Total | | | | |
| | Itemized Breakdown by Firm | | | | | |
| | Firm Name | Role | | | | |
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| | c | | | | | | | 7 |
| c. | All profession | nal fees and expenses (debtor & comm | nittees) | \$ 0 | \$ 0 | \$ 0 |) (| \$ 0 |

| Part 6: F | rt 6: Postpetition Taxes | | | Cumulative | | |
|-----------|---|----|---|------------|---|--|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 | |
| b. | Postpetition income taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 | |
| c. | Postpetition employer payroll taxes accrued | \$ | 0 | \$ | 0 | |
| d. | Postpetition employer payroll taxes paid | \$ | 0 | \$ | 0 | |
| e. | Postpetition property taxes paid | \$ | 0 | \$ | 0 | |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 | |
| g. | Postpetition other taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 | |

Part 7: Questionnaire - During this reporting period:

| rar | 17: Questionnaire - During this reporting period: | | | |
|-----|--|-------|------|---|
| a. | Were any payments made on prepetition debt? (if yes, see Instructions) | Yes □ | No ⊠ | |
| b. | Were any payments made outside the ordinary course of business without court approval? (if | Yes □ | No ⊠ | |
| | yes, see Instructions) | | | |
| c. | Were any payments made to or on behalf of insiders? | Yes □ | No ⊠ | |
| d. | Are you current on postpetition tax return filings? | Yes ⊠ | No □ | |
| e. | Are you current on postpetition estimated tax payments? | Yes ⊠ | No □ | |
| f. | Were all trust fund taxes remitted on a current basis? | Yes ⊠ | No □ | |
| g. | Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes □ | No ⊠ | |
| h. | Were all payments made to or on behalf of professionals approved by the court? | Yes □ | No □ | N/A ⊠ |
| i. | Do you have: Worker's compensation insurance? | Yes ⊠ | No □ | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ (if no, see Instructions) |
| | Casualty/property insurance? | Yes ⊠ | No □ | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ (if no, see Instructions) |
| | General liability insurance? | Yes ⊠ | No □ | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | N/A □ (if no, see Instructions) |
| j. | Has a plan of reorganization been filed with the court? | Yes ⊠ | No □ | |
| k. | Has a disclosure statement been filed with the court? | Yes ⊠ | No □ | |
| 1. | Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? | Yes ⊠ | No □ | |
| | | | | |

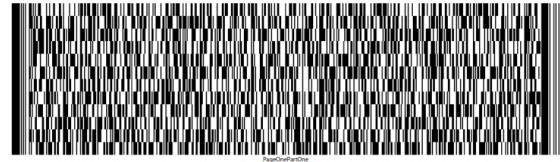
| Part 8: Individual Chapter 11 Debtors (Only) | | | | | | | | | |
|--|---|---------------|------|-------|---|--|--|--|--|
| a. | Gross income (receipts) from salary and wages | | | \$ | 0 | | | | |
| b. | Gross income (receipts) from self-employment | | | \$ | 0 | | | | |
| c. | Gross income from all other sources | | | \$ | 0 | | | | |
| d. | Total income in the reporting period (a+b+c) | | | \$ | 0 | | | | |
| e. | Payroll deductions | | | \$ | 0 | | | | |
| f. | Self-employment related expenses | | | \$ | 0 | | | | |
| g. | Living expenses | | | \$ | 0 | | | | |
| h. | All other expenses | | | \$ | 0 | | | | |
| i. | Total expenses in the reporting period (e+f+g+h) | | | \$ | 0 | | | | |
| j. | Difference between total income and total expenses (d-i) | | | \$ | 0 | | | | |
| k. | List the total amount of all postpetition debts that are past due | | | \$ | 0 | | | | |
| l. | Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes \square | No ⊠ | | | | | | |
| m. | If yes, have you made all Domestic Support Obligation payments? | Yes □ | No □ | N/A ⋈ | | | | | |

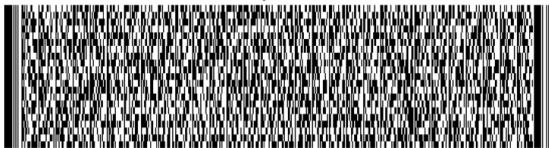
Privacy Act Statement

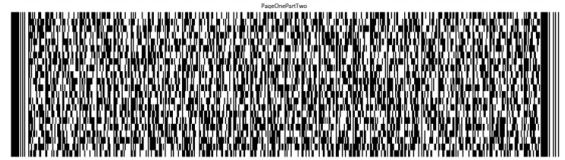
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

| /s/ Michael Bros | Michael Bros |
|---------------------------------------|-----------------------------------|
| Signature of Responsible Party | Printed Name of Responsible Party |
| SVP, Capital Markets and Acquisitions | 10/31/2023 |
| Title | Date |

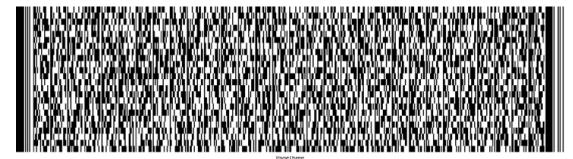


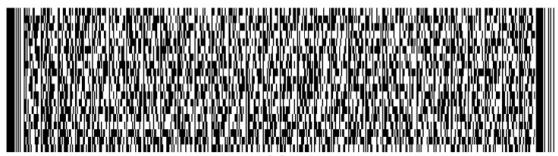




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IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

| In re: | § Chapter 11 |
|--------------------------------|--------------------------|
| | § |
| CORE SCIENTIFIC, INC., et al., | § Case No. 22-90341(CML) |
| | § |
| Debtors. ¹ | § (Jointly Administered) |

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

1. <u>Introduction</u>. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

Page 1

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave, Suite E-101, Austin, TX 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.
 - Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.
- 3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.
 - The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.
- 4. <u>Accounting Principles.</u> The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

MOR-1: 9/1/2023 - 9/30/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

| Description | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII. LLC | Total |
|---|-----------------------------|---|--|-------------------------|-------------------------------------|--|--|-----------------------------|--|--|--|---------------|
| Receipts | | LLC | Company | Inc. | LLC | LLC | | LLC | LLC | LLC | VII, LLC | Total |
| Operating Sales | | | | | | | | | | | | |
| Proceeds | 1,903,870 | 2,238,422 | 23,412,610 | _ | | _ | _ | | | _ | _ | 27,554,903 |
| Bitmain Coupon Sales | | _ | | _ | _ | _ | _ | _ | _ | _ | _ | |
| Other Receipts | 45 | | 9,796,058 | | | | | | | | | 9,796,103 |
| Total Receipts Disbursements | 1,903,915 | 2,238,422 | 33,208,669 | _ | _ | _ | _ | _ | _ | _ | _ | 37,351,006 |
| Suppliers or vendors | 1,789,755 | 1.988.941 | 20,803,184 | _ | _ | _ | _ | _ | _ | _ | _ | 24,581,881 |
| Taxes / Governmental | | 496 | 5,188 | _ | _ | _ | _ | _ | _ | _ | _ | 5,684 |
| Services | 7,649,138 | 130.530 | 1.365.265 | _ | _ | _ | _ | _ | _ | _ | _ | 9,144,933 |
| Financial / Bank Fees | _ | 7,856 | 82,168 | _ | _ | _ | _ | _ | _ | _ | _ | 90,024 |
| Employee Expense | _ | 304,078 | 3,180,477 | _ | _ | _ | _ | _ | _ | _ | _ | 3,484,554 |
| Total Disbursements | 9,438,893 | 2,431,900 | 25,436,282 | | | | | | | | | 37,307,075 |
| | -,, | _,,. | ,, | | | | | | | | | 202,710,006 |
| Net Cash Flow (excl. Internal Transfers) | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Cash Balance Beginning | | | | | | | | | | | | |
| of Month | 21.805.654 | 141.898 | 41.951.592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Disbursement Allocation | <u> </u> | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | |
| Cash Balance End of Month (excl. Internal Transfers) | 14,270,676 | 2,380,320 | 47,292,079 | _ | _ | _ | _ | _ | _ | _ | _ | 63,943,075 |
| Bank Cash Balance | | | | | | | | | | | | |
| Beginning of Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow (excl. Internal Transfers; w/ Allocation) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| MOR Part 1 d. Cash Balance | \$14,270,676 | \$ (51,580) | \$49,723,979 | s — | s — | s – | s – | s – | s — | s – | s – | \$ 63,943,075 |
| Reversing Disbursement Allocation Internal Transfers | 8,485,968 | 2,431,900 (2,185,000) | (2,431,900) (6,300,968) | _ | | | | | = | | _ | |
| Cash Balance End of Month | \$22,756,644 | \$ 195,320 | \$40,991,111 | <u>s — </u> | <u>s – </u> | <u>s </u> | <u>s </u> | <u>s</u> _ | <u>s </u> | <u>s </u> | <u>s </u> | \$ 63,943,075 |

MOR-2: End of September 2023 Balance Sheet

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Elimination Co | Total ¹ |
|---|-----------------------------|--|--|----------------------------|-------------------------------------|--|---|-----------------------------|----|--|--|-------------------|--------------------|
| (dollars in thousands) | | | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | | | |
| Cash and Equivalents | 1,764,468 | 195,320 | 40,186,086 | | | | | | | | | | 42,145 |
| Restricted Cash | 20,992,176 | 193,320 | 805,024 | | _ | | | | _ | | | _ | 21,797 |
| Total Cash | 22,756,644 | 195,320 | 40,991,110 | | | | _ | _ | | | | | 63,943 |
| Accounts | | | | | | | | | | | | | |
| receivable, net of allowance | _ | _ | 1,109,073 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,109 |
| Accounts | | | -,, | | | | | | | | | | -,,- |
| receivable from related parties | 466,233,865 | 153,152,561 | (472,397,274) | 1,160,033 | | | | | | | | (148,149,184) | |
| Deposits for | 400,233,803 | 133,132,301 | (472,371,274) | 1,100,033 | _ | | _ | | | | | (140,142,104) | |
| equipment | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Digital currency assets | _ | _ | 559,280 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 559 |
| Prepaid expenses | | | | | | | | | | | | | |
| and other Total other current | | 22,598,120 | 27,041,221 | | | _ | _ | | | | | (22,593,530) | 27,045 |
| assets | 1,840,530,509 | (1,128,185,364) | (706, 365, 615) | 12,734 | _ | _ | _ | _ | _ | _ | _ | _ | 5,992 |
| Total Current | | | | | | | | | | | | | |
| Assets Property, plant and | 2,329,521,017 | (952,239,363) | (1,109,062,205) | 1,172,767 | | | _ | | | | | (170,742,714) | 98,649 |
| equipment | _ | 43,553,074 | 521,053,333 | _ | _ | _ | _ | _ | _ | _ | _ | (15,616,704) | 548,989 |
| Operating | | 10,000,07 | ,, | | | | | | | | | (12,010,101) | , |
| lease-right-of-use assets | _ | _ | 6,583,247 | _ | _ | _ | | | _ | _ | _ | _ | 6,583 |
| Goodwill | _ | 232,587,379 | (167,058,249) | (65,529,130) | _ | _ | _ | _ | _ | _ | _ | _ | 0,505 |
| Intangible assets, | | | | | | | | | | | | | 2.447 |
| net Other noncurrent | | | 2,447,508 | | | | _ | | _ | | | _ | 2,447 |
| assets | 2,558,789 | (0) | 46,232,768 | | | | | | | | | | 48,791 |
| Total Assets | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | | | | | | | | (186,359,418) | 705,461 |
| Accounts Payable | RRED STOCK | & EQUITY 148,157,171 | 78,794,824 | 1,750 | | | | | | | _ | (148,149,184) | 78,804 |
| Accrued expenses | | 146,137,171 | 76,794,624 | 1,/30 | | | | | | | | (140,149,104) | /0,004 |
| and other | 199,366 | 18,136,331 | 54,733,437 | _ | _ | _ | _ | _ | _ | _ | _ | (20 404 525) | 73,069 |
| Deferred revenue Derivative warrant | | | 101,652,116 | _ | | | | _ | | | | (38,481,727) | 63,170 |
| liabilities | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Operating lease liabilities, current | | | | | | | | | | | | | |
| portion | _ | _ | 204,516 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 204 |
| Financing lease | | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | | | | | | | | | |
| liabilities, current portion | _ | _ | 19,832,575 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 19,832 |
| Long-term debt, | | | | | | | | | | | | | |
| current portion | (559,901,857) | | 723,122,505 | | | | | | | | | | 163,220 |
| Total current liabilities | (559,702,491) | 166,293,502 | 978,339,973 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (186,630,911) | 398,301 |
| Operating lease | (33),702,491) | 100,275,502 | 710,557,715 | 1,750 | | | | | | | | (100,020,711) | 570,501 |
| liabilities, net of | | | 1 046 640 | | | | | | | | | | 1.046 |
| current portion Financing lease | | | 1,046,649 | | | | | _ | | | | | 1,046 |
| liabilities, net of | | | | | | | | | | | | | |
| current portion Long-term debt, net | _ | _ | 35,908,670 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 35,908 |
| of current portion | 568,258,150 | _ | 113,884,055 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 682,142 |
| Other noncurrent | | 10.004.056 | (14 227 240) | (2.597.7(0) | | | | | | | | | 1.150 |
| liabilities Total Liabilities | 8,555,659 | 18,084,856 184,378,359 | (14,337,349) 1,114,841,999 | (2,587,769) (2,586,019) | _= | | | | _= | | | (186,630,911) | 1,118,559 |
| Pre-Petition Subject | | 104,570,539 | | (2,500,017) | | | | | | | | (100,020,711) | 1,110,557 |
| to Compromise | 684,395,370 | | (684,395,370) | | | | | | | | | | |
| Total Pre-Petition Subject to | | | | | | | | | | | | | |
| Compromise | 684,395,370 | _ | (684,395,370) | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Preferred stock | | _ | · · · · — ′ | _ | _ | _ | _ | _ | _ | _ | _ | _ | 27 |
| Common stock Additional paid-in | 37,478 | _ | _ | | | | | _ | | | | | 37 |
| capital | 1,818,873,138 | (15,979,141) | 2,887,621 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,805,781 |
| Accumulated deficit | (170 791 939) | (944 545 110) | (1 122 127 940) | (61 770 345) | | | | | | | | 318,476 | (2 218 016 |
| Other | (179,781,838) | (077,343,110) | (1,133,137,849) | (01,770,343) | | | | | | | | 310,470 | (2,218,916 |
| Comprehensive | | | | | | | | | | | | | |
| Income Cumulative | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Translation | | | | | | | | | | | | | |
| Adjustment Total Fauity | 1 (20 120 770 | 46,983 (860,477,269) | (1 120 250 220) | (61 770 245) | | | | | | | | (46,983) | (412.007 |
| Total Equity Total Liabilities, | 1,639,128,778 | (000,4//,209) | (1,130,250,228) | (61,770,345) | | | | | | | | 271,494 | (413,097 |
| Preferred Stock & | | | | | | | | | | | | | |
| Equity | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | _ | _ | _ | _ | _ | _ | _ | (186,359,418) | 705,461 |

 $^{{\}small 1} \qquad \text{The `Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the `Total' column}$

MOR-3: 9/1/2023 - 9/30/2023 Profit & Loss

| | | Core | | | | Core Scientific | | | | | |
|--|---------------|------------|-----------------------|--------|---------------|--------------------|---------------------|-----------|--------------|------------------------|--------------|
| | | Scientific | Core | | Core | Specialty | American | | | American | American |
| | Core | Acquired | Scientific | | Scientific | Mining | Property | Starboard | | Property | Property |
| | Scientific, | Mining | Operating | Relay, | Mining | (Oklahoma) LLC | Acquisition, LLC | Capital | RADAR LLC | Acquisitions I. LLC | Acquisitions |
| Total Revenue | Inc. | LLC | Company | Inc | LLC | LLC | LLC | LLC | LLC | i, LLC | VII, LLC |
| (dollars in thousands) | | | | | | | | | | | |
| Hosting revenue from customers | _ | _ | 8,954,530 | _ | _ | _ | _ | _ | _ | _ | _ |
| Hosting revenue from related | | | 0,501,000 | | | | | | | | |
| parties | _ | _ | 2,544,537 | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to customers | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to related parties | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Digital asset mining income | _ | 2,160,518 | 23,285,302 | _ | _ | _ | _ | _ | _ | _ | _ |
| Network services and defi revenue | | | | | | | | | | | |
| Total Revenue | | 2,160,518 | 34,784,369 | | | | | | | | |
| Cost of revenue | | _ | (28,856,998) | | | _ | | _ | _ | | |
| Gross Profit | | 2,160,518 | 5,927,371 | | | | | | | | |
| Gain (loss) on legal settlements | | | | | | | | | | | |
| Gain (loss) from sales of digital | | | | | | | | | | | |
| currency assets | _ | 1,616 | 178,047 | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairments of digital currency | | , , , | - ,- | | | | | | | | |
| assets | _ | (10,893) | (163,462) | _ | _ | _ | | _ | _ | _ | _ |
| Impairment of goodwill and other | | | | | | | | | | | |
| intangibles | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of property, plant and | | | | | | | | | | | |
| equipment | _ | _ | _ | _ | | _ | | _ | _ | _ | |
| Losses on exchange or disposal of | | | (220 50 0 | | | | | | | | |
| property, plant and equipment | _ | _ | (339,504) | _ | _ | _ | _ | _ | _ | _ | _ |
| Operating expenses: | | | ((02.550) | _ | | | | | | | |
| Research and development | _ | _ | (603,750) | _ | _ | _ | _ | _ | _ | _ | _ |
| Sales and marketing General and administrative | _ | (2,567) | (301,036) (6,261,136) | | | | | | | | _ |
| Advisor Fees | _ | (2,307) | (0,201,130) | _ | _ | _ | _ | _ | _ | _ | _ |
| | | (2,567) | (7,165,923) | | | | | | | | |
| Total operating expenses | $\overline{}$ | | | | | | | | | | |
| Operating Income (Loss) | | 2,148,674 | (1,563,471) | | | | | | | | |
| Non-operating income (expense), net: | | | 373,495 | _ | | | | | | | |
| Loss on debt extinguishment Interest expense, net | | | (210,753) | | | | | | | | _ |
| Other non-operating expenses, net | | | 741,000 | | | | | | | | |
| Reorganization items | | | (1,750,139) | | | | | | | | |
| Total Non-operating income (expense), | | | (1,730,137) | _ | | | | | | | |
| net: | | | (846,397) | | | | | | | | |
| Income (loss) before income taxes | _= | 2,148,674 | (2,409,868) | | | | | | | | |
| Income (loss) before income taxes Income tax expense | _ | 2,140,074 | (113,769) | | | | | | | | |
| | _= | 2,148,674 | | | | | | | | | |
| Net Income (Loss) | $\overline{}$ | 2,148,0/4 | (2,523,637) | | $\overline{}$ | | | | _= | | |

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

| In Re. Starboard Capital LLC | § | Case No. 22-90347 | |
|--|---|---|------------|
| | | Lead Case No. 22-90341 | |
| Debtor(s) | § | ■ Jointly Administered | |
| Monthly Operating Report | | | Chapter 11 |
| Reporting Period Ended: 09/30/2023 | | Petition Date: 12/21/2022 | |
| Months Pending: 9 | | Industry Classification: 3 3 4 1 | |
| Reporting Method: | Accrual Basis | Cash Basis □ | |
| Debtor's Full-Time Employees (current): | | 0 | |
| Debtor's Full-Time Employees (as of date of | f order for relief): | 0 | |
| Supporting Documentation (check all that (For jointly administered debtors, any requir Statement of cash receipts and disburs Balance sheet containing the summary Statement of operations (profit or loss Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconci Description of the assets sold or trans | red schedules must be provided on a neements and detail of the assets, liabilities and statement) | d equity (net worth) or deficit | |
| /s/ Alfredo R. Pérez | | Alfredo R. Pérez | |
| Signature of Responsible Party | | Printed Name of Responsible Party | |
| 10/31/2023 Date | | 700 Louisiana Street, Suite 1700, Houston, Texas Address | 77002 |

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

| Part 1 | : Cash Receipts and Disbursements | Current Month | Cumulative |
|--------|---|----------------------|------------|
| a. | Cash balance beginning of month | \$ 0 | |
| b. | Total receipts (net of transfers between accounts) | \$ 0 | \$ 0 |
| c. | Total disbursements (net of transfers between accounts) | \$ 0 | \$ 0 |
| d. | Cash balance end of month (a+b-c) | \$ 0 | |
| e. | Disbursements made by third party for the benefit of the estate | \$ 0 | \$ 0 |
| f. | Total disbursements for quarterly fee calculation (c+e) | \$ 0 | \$ 0 |
| | | | |
| Part 2 | : Asset and Liability Status enerally applicable to Individual Debtors. See Instructions.) | Current Month | |
| a. | Accounts receivable (total net of allowance) | \$ 0 | |
| b. | Accounts receivable over 90 days outstanding (net of allowance) | \$ 0 | |
| c. | Inventory (Book ⋈ Market □ Other □ (attach explanation)) | \$ 0 | |
| d | Total current assets | \$ 0 | |
| e. | Total assets | \$ 0 | |
| f. | Postpetition payables (excluding taxes) | \$ 0 | |
| g. | Postpetition payables past due (excluding taxes) | \$ 0 | |
| h. | Postpetition taxes payable | \$ 0 | |
| i. | Postpetition taxes past due | \$ 0 | |
| j. | Total postpetition debt (f+h) | \$ 0 | |
| k. | Prepetition secured debt | \$ 0 | |
| 1. | Prepetition priority debt | \$ 0 | |
| m. | Prepetition unsecured debt | \$ 0 | |
| n. | Total liabilities (debt) (j+k+l+m) | \$ 0 | |
| 0. | Ending equity/net worth (e-n) | \$ 0 | |
| | | <u>·</u> | |
| | : Assets Sold or Transferred | Current Month | Cumulative |
| a. | Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ 0 | \$ 0 |
| b. | Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$ 0 | \$ 0 |
| c. | Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ 0 | \$ 0 |
| Dort A | : Income Statement (Statement of Operations) | | |
| | enerally applicable to Individual Debtors. See Instructions.) | Current Month | Cumulative |
| a. | Gross income/sales (net of returns and allowances) | \$ 0 | |
| b. | Cost of goods sold (inclusive of depreciation, if applicable) | \$ 0 | |
| c. | Gross profit (a-b) | \$ 0 | |
| d. | Selling expenses | \$ 0 | |
| e. | General and administrative expenses | \$ 0 | |
| f. | Other expenses | \$ 0 | |
| g. | Depreciation and/or amortization (not included in 4b) | \$ 0 | |
| h. | Interest | <u>\$</u> 0 | |
| i. | Taxes (local, state, and federal) | \$ 0 | |
| j. | Reorganization items | \$ 0 | |
| k. | Profit (loss) | \$ 0 | \$ 0 |

| Pa | rt 5: Prof | fessional Fees and Expenses | | | | | |
|----|------------|--------------------------------------|----------------------------|---------------------------|------------------------|-----------------------|--------------------|
| | | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
| a. | Debto | r's professional fees & expenses (ba | ankruptcy) Aggregate Total | | | | |
| | Itemiz | red Breakdown by Firm | | | | | |
| | | Firm Name | Role | | | | |
| | i | | | | | | |
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| | | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
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| b. | Debtor's pro | ofessional fees & expenses (nonbankr | uptcy) Aggregate Total | | | | |
| | Itemized Bre | eakdown by Firm | | | | | |
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| | xcix | | | | | |
|----|---|--|--|-----|-----|-----|
| | c | | | | | |
| c. | c. All professional fees and expenses (debtor & committees) | | | \$0 | \$0 | \$0 |

| Par | t 6: Postpetition Taxes | Current | Month | Cum | ulative |
|-----|---|---------|-------|-----|---------|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 |
| b. | Postpetition income taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |
| c. | Postpetition employer payroll taxes accrued | \$ | 0 | \$ | 0 |
| d. | Postpetition employer payroll taxes paid | \$ | 0 | \$ | 0 |
| e. | Postpetition property taxes paid | \$ | 0 | \$ | 0 |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 |
| g. | Postpetition other taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |

Part 7: Ouestionnaire - During this reporting period:

| Par | t 7: Questionnaire - During this reporting period: | | | | |
|-----|---|-------|------|-----------------|---------------------------|
| a. | Were any payments made on prepetition debt? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| b. | Were any payments made outside the ordinary course of business without court approval? | Yes □ | No ⊠ | | |
| | (if yes, see Instructions) | | | | |
| c. | Were any payments made to or on behalf of insiders? | Yes □ | No ⊠ | | |
| d. | Are you current on postpetition tax return filings? | Yes ⊠ | No □ | | |
| e. | Are you current on postpetition estimated tax payments? | Yes ⊠ | No □ | | |
| f. | Were all trust fund taxes remitted on a current basis? | Yes ⊠ | No □ | | |
| g. | Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| ĥ. | Were all payments made to or on behalf of professionals approved by the court? | Yes □ | No □ | $N/A \boxtimes$ | |
| i. | Do you have: Worker's compensation insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ | (if no, see Instructions) |
| | Casualty/property insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ | (if no, see Instructions) |
| | General liability insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ | (if no, see Instructions) |
| j. | Has a plan of reorganization been filed with the court? | Yes ⊠ | No □ | | |
| k. | Has a disclosure statement been filed with the court? | Yes ⊠ | No □ | | |
| 1. | Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? | Yes ⊠ | No □ | | |
| | | | | | |

| Par | t 8: Individual Chapter 11 Debtors (Only) | | |
|-----|---|---------|------|
| a. | Gross income (receipts) from salary and wages | \$ | 0 |
| b. | Gross income (receipts) from self-employment | \$ | 0 |
| c. | Gross income from all other sources | \$ | 0 |
| d. | Total income in the reporting period (a+b+c) | \$ | 0 |
| e. | Payroll deductions | \$ | 0 |
| f. | Self-employment related expenses | \$ | 0 |
| g. | Living expenses | \$ | 0 |
| h. | All other expenses | \$ | 0 |
| i. | Total expenses in the reporting period (e+f+g+h) | \$ | 0 |
| j. | Difference between total income and total expenses (d-i) | \$ | 0 |
| k. | List the total amount of all postpetition debts that are past due | \$ | 0 |
| 1. | Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes □ 1 | No ⊠ |

Case No. 22-90347

Yes □ No □

 $N/A \boxtimes$

Debtor's Name Starboard Capital LLC

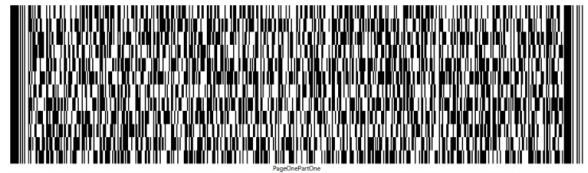
m. If yes, have you made all Domestic Support Obligation payments?

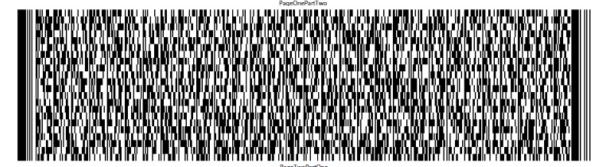
Privacy Act Statement

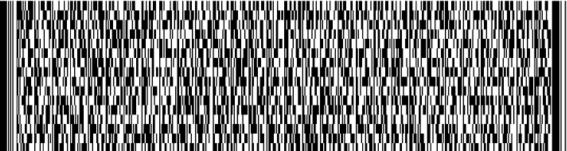
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

| /s/ Michael Bros | Michael Bros |
|---------------------------------------|-----------------------------------|
| Signature of Responsible Party | Printed Name of Responsible Party |
| SVP, Capital Markets and Acquisitions | 10/31/2023 |
| Title | Date |

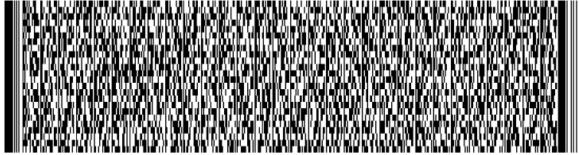




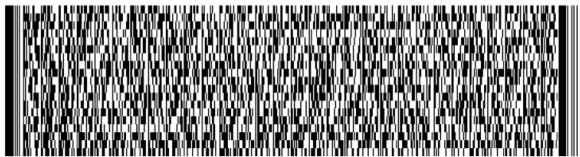


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IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re: \$ Chapter 11 \$ CORE SCIENTIFIC, INC., et al., \$ Case No. 22-90341(CML) \$ Debtors. 1 \$ (Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

1. Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave, Suite E-101, Austin, TX 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.

4. **Accounting Principles.** The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- 8. Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

MOR-1: 9/1/2023 - 9/30/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

| Description | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Total |
|---|-----------------------------|--|---|--|--|--|--|--|--|--|--|---------------------------|
| Receipts | | | | | | | | <u></u> | | | | |
| Öperating Sales Proceeds | 1,903,870 | 2,238,422 | 23,412,610 | _ | _ | _ | _ | _ | _ | _ | _ | 27,554,903 |
| Bitmain Coupon Sales Other | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Receipts | 45 | _ | 9,796,058 | _ | _ | _ | _ | _ | _ | _ | _ | 9,796,103 |
| Total Receipts | 1,903,915 | 2,238,422 | 33,208,669 | | | | | | | | | 37,351,006 |
| Disbursements | | | | | | | | | | | | |
| Suppliers or vendors Taxes / | 1,789,755 | 1,988,941 | 20,803,184 | _ | _ | _ | _ | _ | _ | _ | _ | 24,581,881 |
| Government | al — | 496 | 5,188 | _ | _ | _ | _ | _ | _ | _ | _ | 5,684 |
| Services | 7,649,138 | 130,530 | 1,365,265 | _ | _ | _ | _ | _ | _ | _ | _ | 9,144,933 |
| Financial / Bank Fees | _ | 7,856 | 82,168 | _ | _ | _ | | | _ | | _ | 90,024 |
| Employee Expense Total | | 304,078 | 3,180,477 | | | | | | | | | 3,484,554 |
| Disbursements | 9,438,893 | 2,431,900 | 25,436,282 | _ | | | | | _ | | _ | 37,307,075 202,710,006 |
| Net Cash Flow | | | | | | | - | | | | | |
| (excl. Internal Transfers) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| Cash Balance Beginning of Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| Disbursement Allocation | (7,334,978) | 2,431,900 | (2,431,900) | _ | _ | _ | _ | | | _ | _ | 43,931 |
| Cash Balance End of Month (excl. Internal Transfers) | 14,270,676 | 2,380,320 | 47,292,079 | _ | _ | _ | _ | _ | _ | _ | _ | 63,943,075 |
| Bank Cash Balance Beginning of Month | 21,805,654 | 141,898 | 41,951,592 | _ | | | _ | | _ | | | 63,899,144 |
| Net Cash Flow (excl. Internal Transfers; w/ | | | | | | | | | | | | |
| Allocation) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| MOR Part 1 d. Cash | \$14 270 676 | e (£1 £90) | \$ 40.722.070 | e | e | e | e | s – | e | s – | e | e 62 042 075 |
| Balance | <u>\$14,270,676</u> | <u>\$ (51,580)</u> | \$ 49,723,979 | <u>\$ —</u> | <u>s — </u> | <u> </u> | <u> </u> | <u> </u> | <u>s — </u> | <u> </u> | <u>s — </u> | <u>\$ 63,943,075</u> |
| Reversing Disbursement Allocation | nt _ | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | |
| Internal Transfers | 8,485,968 | (2,185,000) | (6,300,968) | _ | _ | _ | _ | _ | | _ | _ | |
| Cash Balance | 0,405,700 | (2,165,000) | (0,300,908) | | | | | | _ | _ | | _ |
| End of Month | \$22,756,644 | <u>\$ 195,320</u> | <u>\$ 40,991,111</u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>\$ 63,943,075</u> |

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Elimination Co | Total ¹ |
|---|--------------------------------|--|--|----------------------|-------------------------------------|--|---|-----------------------------|--------------|--|--|---------------------|--------------------------------------|
| (dollars in thousands) ASSETS | | | | | | | | | | | | | |
| Cash and | | | | | | | | | | | | | |
| Equivalents Restricted Cash | 1,764,468 20,992,176 | 195,320 | 40,186,086 805,024 | _ | | | _ | | | _ | | | 42,145,874 21,797,200 |
| Total Cash | 22,756,644 | 195,320 | 40,991,110 | | | | | | | | | | 63,943,074 |
| Accounts receivable, net of allowance Accounts | _ | _ | 1,109,073 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,109,073 |
| receivable from related parties Deposits for | 466,233,865 | 153,152,561 | (472,397,274) | 1,160,033 | _ | _ | _ | | _ | _ | _ | (148,149,184) | (0) |
| equipment Digital currency | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| assets | _ | _ | 559,280 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 559,280 |
| Prepaid expenses and other | _ | 22,598,120 | 27,041,221 | _ | _ | _ | _ | _ | _ | _ | _ | (22,593,530) | 27,045,811 |
| Total other current | 1 940 520 500 | | | 12,734 | | | | | | | | | |
| assets Total Current Assets | 1,840,530,509 2,329,521,017 | (1,128,185,364) (952,239,363) | (706,365,615) (1,109,062,205) | 1,172,767 | | | | | | | | (170,742,714) | 5,992,264 98,649,501 |
| Property, plant and equipment | _ | 43,553,074 | 521,053,333 | _ | _ | _ | _ | _ | _ | _ | _ | (15,616,704) | 548,989,703 |
| Operating lease-right-of-use assets | _ | _ | 6,583,247 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 6,583,247 |
| Goodwill Intangible assets, | _ | 232,587,379 | (167,058,249) | (65,529,130) | _ | _ | | _ | _ | _ | _ | _ | 0 |
| net | _ | _ | 2,447,508 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 2,447,508 |
| Other noncurrent assets | 2,558,789 | (0) | 46,232,768 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 48,791,557 |
| Total Assets | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | | | | | = | | | (186,359,418) | 705,461,515 |
| LIABILITIES, PREFERRED STOCK & EQUITY | | | | | | | | | | | | | _ |
| Accounts Payable | _ | 148,157,171 | 78,794,824 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) | 78,804,561 |
| Accrued expenses and other Deferred revenue Derivative warrant | 199,366 | 18,136,331 | 54,733,437 101,652,116 | = | _ | = | = | _ | _ | | = | (38,481,727) | 73,069,133 63,170,389 |
| liabilities Operating lease | _ | _ | _ | _ | _ | | _ | _ | _ | _ | _ | _ | _ |
| liabilities, current portion Financing lease | _ | _ | 204,516 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 204,516 |
| liabilities, current portion Long-term debt, | _ | _ | 19,832,575 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 19,832,575 |
| current portion | (559,901,857) | | 723,122,505 | | | | | | | | | | 163,220,648 |
| Total current liabilities Operating lease | (559,702,491) | 166,293,502 | 978,339,973 | 1,750 | _ | | _ | _ | _ | _ | _ | (186,630,911) | 398,301,823 |
| liabilities, net of current portion Financing lease | _ | _ | 1,046,649 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,046,649 |
| liabilities, net of current portion Long-term debt, net | _ | _ | 35,908,670 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 35,908,670 |
| of current portion | | _ | 113,884,055 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 682,142,205 |
| Other noncurrent liabilities | _ | 18,084,856 | (14,337,349) | (2,587,769) | _ | _ | _ | _ | _ | _ | _ | _ | 1,159,738 |
| Total Liabilities | 8,555,659 | 184,378,359 | 1,114,841,999 | (2,586,019) | | | | | _ | _ | | (186,630,911) | 1,118,559,085 |
| Pre-Petition Subject to Compromise | 684,395,370 | | (684,395,370) | | | | | | | | | | |
| Total Pre-Petition Subject to Compromise | 684,395,370 | _ | (684,395,370) | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Preferred stock Common stock | 37,478 | _ | _ | | _ | | _ | _ | _ | _ | | _ | 37,478 |
| Additional paid-in | | (15.050.141) | 0.007.621 | | | | | | | | | | |
| capital Accumulated deficit | 1,818,873,138 (179,781,838) | (15,979,141) (844,545,110) | 2,887,621 (1,133,137,849) | (61,770,345) | _ | _ | _ | _ | _ | _ | _ | 318,476 | 1,805,781,618 (2,218,916,666) |
| Other Comprehensive | | | | | | | | | | | | | |
| Income Cumulative Translation | _ | _ | <u> </u> | _ | | _ | _ | | | _ | _ | | _ |
| Adjustment Total Equity | 1,639,128,778 | 46,983 (860,477,269) | (1,130,250,228) | (61,770,345) | | | | | | | | (46,983) 271,494 | (413,097,570) |
| Total Equity Total Liabilities, Preferred Stock & Equity | 2,332,079,806 | (676,098,910) | (699,803,599) | | | | | | | _ | | (186,359,418) | 705,461,515 |
| = - | | | | | | | | | | | | | • |

¹ The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

MOR-3: 9/1/2023 - 9/30/2023 Profit & Loss

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC |
|---|-----------------------------|---|--|------------------------|-------------------------------------|--|---|-----------------------------|--------------|--|--|
| Total Revenue | | | | | | | | | | | |
| (dollars in thousands) | | | | | | | | | | | |
| Hosting revenue from customers | _ | _ | 8,954,530 | _ | _ | _ | _ | _ | _ | _ | _ |
| Hosting revenue from related parties | _ | _ | 2,544,537 | _ | _ | _ | _ | _ | _ | _ | |
| Equipment sales to customers | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to related parties | | | | _ | | | | | | | |
| Digital asset mining income | _ | 2,160,518 | 23,285,302 | _ | _ | _ | _ | _ | _ | _ | _ |
| Network services and defi revenue | | | | | | | | | | | |
| Total Revenue | | 2,160,518 | 34,784,369 | | | | | | | | |
| Cost of revenue | | | (28,856,998) | | | | | | | | |
| Gross Profit | _ | 2,160,518 | 5,927,371 | _ | _ | _ | _ | _ | _ | _ | _ |
| Gain (loss) on legal settlements | | | | | | | | | | | |
| Gain (loss) from sales of digital currency | | | | | | | | | | | |
| assets | _ | 1,616 | 178,047 | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairments of digital currency assets | | (10,893) | (163,462) | _ | _ | | | _ | _ | _ | |
| Impairment of goodwill and other | | | | | | | | | | | |
| intangibles | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of property, plant and | | | | | | | | | | | |
| equipment Losses on exchange or disposal of | | | | | | | | | | | _ |
| property, plant and equipment | | | (339,504) | | | | | | | | |
| Operating expenses: | _ | _ | (339,504) | _ | _ | _ | _ | _ | _ | _ | _ |
| Research and development | | | (603,750) | | | | | | | | |
| Sales and marketing | | | (301,036) | | | | | | | | |
| General and administrative | | (2,567) | (6,261,136) | | | | | | | | |
| Advisor Fees | | (2,307) | (0,201,130) | | | | | | | | |
| Total operating expenses | | (2,567) | (7,165,923) | | | | | | | | |
| Operating Income (Loss) | | 2,148,674 | (1,563,471) | _ | | | | | | | |
| Non-operating income (expense), net: | | 2,140,074 | (1,505,471) | | | | | | | | |
| Loss on debt extinguishment | _ | _ | 373,495 | _ | _ | _ | _ | _ | _ | _ | _ |
| Interest expense, net | _ | _ | (210,753) | _ | _ | _ | _ | _ | _ | _ | _ |
| Other non-operating expenses, net | _ | _ | 741,000 | _ | _ | _ | _ | _ | _ | _ | _ |
| Reorganization items | _ | _ | (1,750,139) | _ | _ | _ | _ | _ | _ | _ | _ |
| Total Non-operating income (expense), net: | | | (846,397) | | | _ | | | | | |
| Income (loss) before income taxes | | 2,148,674 | (2,409,868) | | | | | | | | |
| Income tax expense | | | (113,769) | _ | | _ | _ | _ | | _ | _ |
| Net Income (Loss) | | 2,148,674 | (2,523,637) | | | | | | | | |

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

| In Re. RADAR LLC | § § | Case No. 22-90348 | |
|--|-------------------------|--|------------|
| Debtor(s) | § § | Lead Case No. 22-90341 ■ Jointly Administered | |
| Monthly Operating Report | | | Chapter 11 |
| Reporting Period Ended: 09/30/2023 | | Petition Date: 12/21/2022 | |
| Months Pending: 9 | | Industry Classification: 3 3 4 1 | |
| Reporting Method: | Accrual Basis | Cash Basis □ | |
| Debtor's Full-Time Employees (current): | | 0 | |
| Debtor's Full-Time Employees (as of date of order for relief): | | 0 | |
| Supporting Documentation (check all that are attached): | | | |
| (For jointly administered debtors, any required schedules must be | pe provided on a non-co | nsolidated basis for each debtor) | |
| Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the as Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for the report Description of the assets sold or transferred and the terms | rting period | ity (net worth) or deficit | |
| /s/ Alfredo R. Pérez | | lfredo R. Pérez | |
| Signature of Responsible Party | Pı | rinted Name of Responsible Party | |
| 10/31/2023 Date | | 00 Louisiana Street, Suite 1700, Houston, Texas 7 ddress | 7002 |

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. \S 1320.4(a)(2) applies.

| Part | 1: Cash Receipts and Disbursements | Current Month | Cumulative |
|--------------|---|---------------|--------------|
| a. | Cash balance beginning of month | \$ 0 | |
| b. | Total receipts (net of transfers between accounts) | \$ 0 | \$ 0 |
| c. | Total disbursements (net of transfers between accounts) | \$ 0 | \$ 0 |
| d. | Cash balance end of month (a+b-c) | \$ 0 | |
| e. | Disbursements made by third party for the benefit of the estate | \$ 0 | \$ 0 |
| f. | Total disbursements for quarterly fee calculation (c+e) | \$ 0 | \$ 0 |
| | | | |
| Part (Not | 2: Asset and Liability Status generally applicable to Individual Debtors. See Instructions.) | Current Month | |
| a. | Accounts receivable (total net of allowance) | \$ 0 | |
| b. | Accounts receivable over 90 days outstanding (net of allowance) | \$ 0 | |
| c. | Inventory (Book Market □ Other □ (attach explanation)) | \$ 0 | |
| d | Total current assets | \$ 0 | |
| e. | Total assets | \$ 0 | |
| f. | Postpetition payables (excluding taxes) | \$ 0 | |
| g. | Postpetition payables past due (excluding taxes) | \$ 0 | |
| h. | Postpetition taxes payable | \$ 0 | |
| i. | Postpetition taxes past due | \$ 0 | |
| j. | Total postpetition debt (f+h) | \$ 0 | |
| k. | Prepetition secured debt | \$ 0 | |
| 1. | Prepetition priority debt | \$ 0 | |
| m. | Prepetition unsecured debt | \$ 0 | |
| n. | Total liabilities (debt) (j+k+l+m) | \$ 0 | |
| 0. | Ending equity/net worth (e-n) | \$ 0 | |
| | | | |
| Part | 3: Assets Sold or Transferred | Current Month | Cumulative |
| a. | Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ 0 | \$ 0 |
| b. | Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$ 0 | \$ 0 |
| c. | Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ 0 | \$ 0 |
| Dout | 4. Income Statement (Statement of Organisms) | | |
| (Not | 4: Income Statement (Statement of Operations) generally applicable to Individual Debtors. See Instructions.) | Current Month | Cumulative |
| a. | Gross income/sales (net of returns and allowances) | \$ 0 | |
| b. | Cost of goods sold (inclusive of depreciation, if applicable) | \$ 0 | |
| c. | Gross profit (a-b) | \$ 0 | |
| d. | Selling expenses | \$ 0 | |
| e. | General and administrative expenses | \$ 0 | |
| f. | Other expenses | \$ 0 | |
| g. | Depreciation and/or amortization (not included in 4b) | \$ 0 | |
| h. | Interest | \$ 0 | |
| i. | Taxes (local, state, and federal) | \$ 0 | |
| j. | Reorganization items | \$ 0 | |
| k. | Profit (loss) | \$ 0 | \$ 0 |
| | | | - |

| Part | 5: Professional | Fees and Expenses | | | | | |
|------|-----------------|-------------------------------|----------------------------|---------------------------|------------------------|-----------------------|--------------------|
| | | , | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
| a. | Debtor's pro | ofessional fees & expenses (b | ankruptcy) Aggregate Total | | | | Camalative |
| | Itemized Br | eakdown by Firm | | | | | |
| | | Firm Name | Role | | | | |
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| | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
|----|------------------------------|--|---------------------------|------------------------|-----------------------|--------------------|
| b. | Debtor's professional fees & | expenses (nonbankruptcy) Aggregate Total | | | | |
| | Itemized Breakdown by Firm | ı | | | | |
| | Firm Name | Role | | | | |
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| Part 6: Postpetition Taxes | | | Month | Cumulative | | |
|----------------------------|---|----|-------|------------|---|--|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 | |
| b. | Postpetition income taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 | |
| c. | Postpetition employer payroll taxes accrued | \$ | 0 | \$ | 0 | |
| d. | Postpetition employer payroll taxes paid | \$ | 0 | \$ | 0 | |
| e. | Postpetition property taxes paid | \$ | 0 | \$ | 0 | |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 | |
| g. | Postpetition other taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 | |

| Par | 7: Questionnaire - During this reporting period: | | | | |
|-----|---|-------|------|-------|---------------------------|
| a. | Were any payments made on prepetition debt? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| b. | Were any payments made outside the ordinary course of business without court approval? | | | | |
| | (if yes, see Instructions) | Yes □ | No ⊠ | | |
| c. | Were any payments made to or on behalf of insiders? | Yes □ | No ⊠ | | |
| d. | Are you current on postpetition tax return filings? | Yes 🗵 | No □ | | |
| e. | Are you current on postpetition estimated tax payments? | Yes 🗵 | No □ | | |
| f. | Were all trust fund taxes remitted on a current basis? | Yes ⋈ | No □ | | |
| g. | Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes □ | No ⊠ | | |
| h. | Were all payments made to or on behalf of professionals approved by the court? | Yes 🗆 | No □ | N/A ⊠ | |
| i. | Do you have: Worker's compensation insurance? | Yes 🗵 | No □ | | |
| | If yes, are your premiums current? | Yes 🗵 | No □ | N/A □ | (if no, see Instructions) |
| | Casualty/property insurance? | Yes 🗵 | No □ | | |
| | If yes, are your premiums current? | Yes ⋈ | No □ | N/A □ | (if no, see Instructions) |
| | General liability insurance? | Yes ⊠ | No □ | | |
| | If yes, are your premiums current? | Yes ⋈ | No □ | N/A □ | (if no, see Instructions) |
| j. | Has a plan of reorganization been filed with the court? | Yes ⊠ | No □ | | |
| k. | Has a disclosure statement been filed with the court? | Yes ⋈ | No □ | | |
| 1. | Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? | Yes ⊠ | No □ | | |

| Del | otor's Name RADAR LLC | Case No. 22-90348 | | | | |
|-----|---|-------------------|------|--|--|--|
| Par | Part 8: Individual Chapter 11 Debtors (Only) | | | | | |
| a. | Gross income (receipts) from salary and wages | \$ | 0 | | | |
| b. | Gross income (receipts) from self-employment | \$ | 0 | | | |
| c. | Gross income from all other sources | \$ | 0 | | | |
| d. | Total income in the reporting period (a+b+c) | \$ | 0 | | | |
| e. | Payroll deductions | \$ | 0 | | | |
| f. | Self-employment related expenses | \$ | 0 | | | |
| g. | Living expenses | \$ | 0 | | | |
| h. | All other expenses | \$ | 0 | | | |
| i. | Total expenses in the reporting period (e+f+g+h) | \$ | 0 | | | |
| j. | Difference between total income and total expenses (d-i) | \$ | 0 | | | |
| k. | List the total amount of all postpetition debts that are past due | \$ | 0 | | | |
| 1. | Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes □ | No ⊠ | | | |

Yes □ No □ N/A 🗵

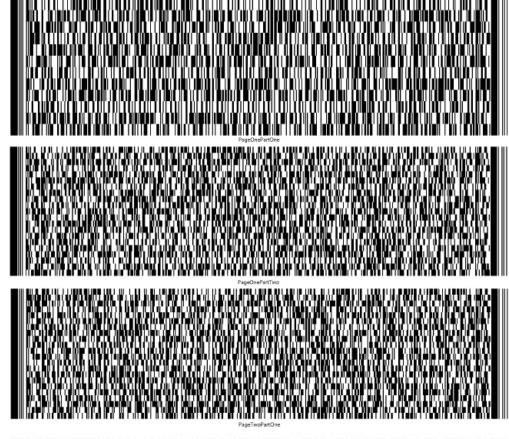
Privacy Act Statement

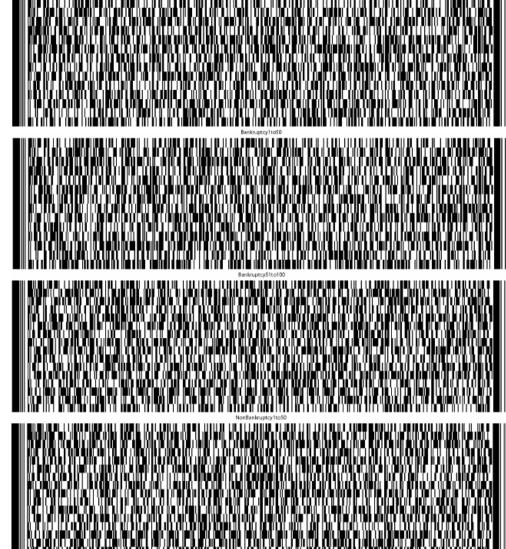
If yes, have you made all Domestic Support Obligation payments?

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

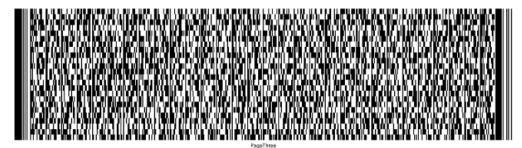
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

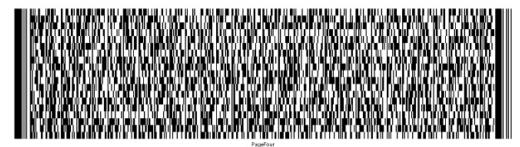
| /s/ Michael Bros | Michael Bros | | | |
|---------------------------------------|-----------------------------------|--|--|--|
| Signature of Responsible Party | Printed Name of Responsible Party | | | |
| SVP, Capital Markets and Acquisitions | 10/31/2023 | | | |
| Title | Date | | | |





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IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS

HOUSTON DIVISION

Chapter 11

CORE SCIENTIFIC, INC., et al., Case No. 22-90341 (CML) §

In re:

§

Debtors.1 (Jointly Administered) 8

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave, Suite E-101, Austin, TX 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.
 - Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.
- 3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' receipt angement reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events

As noted, although the Debtors generally prepare financial statements on a

consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

MOR-1: 9/1/2023 - 9/30/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

| | Core Scientific, | Core Scientific Acquired Mining | Core Scientific Operating | Relay, | Core Scientific Mining | Core Scientific Specialty Mining (Oklahoma) | | | | American Property Acquisitions | | |
|--|---------------------|--|---------------------------------|---|------------------------------|---|-------------|--|-------------|--------------------------------------|-------------|-----------------------|
| <u>Description</u> | Inc. | LLC | Company | Inc. | LLC | LLC | LLC | LLC | LLC | I, LLC | VII, LLC | Total |
| Receipts | | | | | | | | | | | | |
| Operating Sales Proceeds | 1,903,870 | 2,238,422 | 23,412,610 | _ | _ | _ | _ | _ | _ | _ | _ | 27,554,903 |
| Bitmain Coupon Sales | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Other Receipts | 45 | | 9,796,058 | | | | | | | | | 9,796,103 |
| Total Receipts | 1,903,915 | 2,238,422 | 33,208,669 | _ | _ | | _ | _ | _ | _ | _ | 37,351,006 |
| Disbursements | | | | | | | | | | | | |
| Suppliers or vendors | 1,789,755 | 1.988.941 | 20,803,184 | _ | _ | _ | _ | _ | _ | _ | _ | 24,581,881 |
| Taxes / Governmental | | 496 | 5.188 | _ | _ | _ | _ | _ | _ | _ | _ | 5,684 |
| Services | 7.649.138 | 130.530 | 1.365.265 | _ | _ | _ | _ | _ | _ | _ | _ | 9.144.933 |
| Financial / Bank Fees | -,, | 7,856 | 82,168 | _ | _ | _ | _ | _ | _ | _ | _ | 90,024 |
| Employee Expense | _ | 304,078 | 3,180,477 | _ | _ | _ | _ | _ | _ | _ | _ | 3,484,554 |
| Total Disbursements | 9,438,893 | 2,431,900 | 25,436,282 | | | | | | | | | 37,307,075 |
| Total Disbut sements | 7,400,070 | 2,451,700 | 23,450,202 | | | | | | | | | 202,710,006 |
| Net Cash Flow (excl. | | | | | | | | | | | | 202,710,000 |
| Internal Transfers) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| Cash Balance Beginning | | (1/3,4/6) | 1,772,307 | | | | | | | | | 43,731 |
| of Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Disbursement Allocation | _ | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash Balance End of Month (excl. Internal | | | | | | | | | | | | |
| Transfers) | 14,270,676 | 2,380,320 | 47,292,079 | _ | _ | _ | _ | _ | _ | _ | _ | 63,943,075 |
| Bank Cash Balance Beginning of Month | 21.805.654 | 141.898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow (excl. Internal Transfers; w/ | 21,003,034 | 141,070 | 41,751,572 | | | | | | | | | 00,077,144 |
| Allocation) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| MOR Part 1 d. Cash | | | | | | | | | | | | |
| Balance | \$ 14,270,676 | \$ (51,580) | \$ 49,723,979\$ | <u>\$ </u> | s — | <u> </u> | <u> </u> | <u>s </u> | \$ — | <u> </u> | <u> </u> | \$ 63,943,075 |
| Reversing Disbursement Allocation | _ | 2,431,900 | (2.431.900) | | _ | _ | _ | _ | | _ | _ | _ |
| Internal Transfers | 8,485,968 | (2,185,000) | (6,300,968) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash Balance End of Month | \$ 22,756,644 | \$ 195,320 | \$40,991,111\$ | <u>s —</u> | <u>s – </u> | <u>s – </u> | <u>s – </u> | <u>s — </u> | <u>s — </u> | <u>s – </u> | <u>s – </u> | \$ 63,943,07 <u>5</u> |

MOR-2: End of September 2023 Balance Sheet

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | | American Property Acquisition, LLC | Starboard Capital LLC | | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Elimination Co | Total ¹ |
|--|--------------------------------|---|--|-------------------------|-------------------------------------|-----|---|-----------------------------|--------------|--|--|-------------------|----------------------|
| (dollars in thousands) | THC. | LEC | Company | THC. | LLC | ELC | LEC | LEC | LLC | I, EEC | VII, EEC | | Total |
| ASSETS Cash and | | | | | | | | | | | | | |
| Equivalents | 1,764,468 20,992,176 | 195,320 | 40,186,086 805,024 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 42,145,1 21,797,2 |
| Restricted Cash Total Cash | 22,756,644 | 195,320 | 40,991,110 | | = | | | | - | | = | | 63,943, |
| Accounts receivable, net of allowance | | _ | 1,109,073 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,109,0 |
| Accounts receivable from related parties Deposits for | 466,233,865 | 153,152,561 | (472,397,274) | 1,160,033 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) | |
| equipment | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Digital currency assets | _ | _ | 559,280 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 559,3 |
| Prepaid expenses | | | | | | | | | | | | | |
| and other Total other current | _ | 22,598,120 | 27,041,221 | | | | | | | | | (22,593,530) | 27,045, |
| assets | 1,840,530,509 | (1,128,185,364) | (706,365,615) | 12,734 | | | | | | | | | 5,992, |
| Assets Property, plant and | 2,329,521,017 | (9 52,239,363) 43,553,074 | (1,109,062,205) | 1,172,767 | _ | _ | _ | _ | _ | _ | _ | (170,742,714) | 98,649, |
| equipment Operating | _ | 43,333,074 | 521,053,333 | _ | _ | _ | _ | _ | _ | _ | _ | (15,616,704) | 548,989, |
| lease-right-of-use assets | | | 6,583,247 | | | | | | | | | | 6,583, |
| Goodwill | | 232,587,379 | (167,058,249) | (65,529,130) | _ | _ | _ | _ | _ | _ | _ | = | 0,363,. |
| Intangible assets, net | _ | _ | 2,447,508 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 2,447,: |
| Other noncurrent | | | | | | | | | | | | | |
| assets Total Assets | 2,558,789 2,332,079,806 | (0) (676,098,910) | 46,232,768 (699,803,599) | (64,356,364) | | | | | | | | (186,359,418) | 48,791, 705,461, |
| LIABILITIES, | 2,332,073,800 | (070,098,910) | (099,803,399) | (04,530,504) | | | | | | | | (180,332,418) | 703,401, |
| PREFERRED STOCK & EQUITY | | | | | | | | | | | | | |
| Accounts Payable | _ | 148,157,171 | 78,794,824 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) | 78,804, |
| Accrued expenses and other | 199,366 | 18,136,331 | 54,733,437 | | | | | | | | | | 73,069, |
| Deferred revenue | 199,500 | 18,130,331 | 101,652,116 | | | | | | | | | (38,481,727) | 63,170, |
| Derivative warrant liabilities Operating lease | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| liabilities, current portion Financing lease | _ | _ | 204,516 | _ | | _ | _ | _ | _ | _ | _ | _ | 204, |
| liabilities, current portion | _ | _ | 19,832,575 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 19,832, |
| Long-term debt, | (550,001,057) | | | | | | | | | | | | |
| current portion Total current | (559,901,857) | | 723,122,505 | | | | | | | | | | 163,220, |
| liabilities Operating lease | (559,702,491) | 166,293,502 | 978,339,973 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (186,630,911) | 398,301, |
| liabilities, net of current portion Financing lease | _ | _ | 1,046,649 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,046, |
| liabilities, net of current portion | _ | _ | 35,908,670 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 35,908, |
| Long-term debt, net | 560 250 150 | | | | | | | | | | | | |
| of current portion Other noncurrent | 568,258,150 | | 113,884,055 | _ | | _ | _ | _ | | _ | _ | | 682,142,2 |
| liabilities | | 18,084,856 | (14,337,349) | (2,587,769) | | | | | | | | | 1,159, |
| Total Liabilities Pre-Petition Subject | 8,555,659 | 184,378,359 | 1,114,841,999 | (2,586,019) | _ | _ | _ | _ | _ | _ | _ | (186,630,911) | 1,118,559, |
| to Compromise Total Pre-Petition Subject to | 684,395,370 | | (684,395,370) | | | | | | | | | | |
| Compromise | 684,395,370 | | (684,395,370) | _ | | _ | | | _ | _ | | _ | |
| Preferred stock Common stock | 37,478 | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | 37, |
| Additional paid-in | | | 2 007 (2) | | | | | | | | | | |
| capital Accumulated deficit | 1,818,873,138 (179,781,838) | (15,979,141) | 2,887,621 (1,133,137,849) | (61.770.345) | _ | _ | _ | | _ | _ | _ | 318,476 | 1,805,781, |
| Other Comprehensive Income | (175,701,000) | (0.1,010,110) | (-,100,101,047) | (52,7,70,013) | | | | | | | | 210,170 | (_,_10,,10, |
| Cumulative | _ | _ | _ | _ | _ | _ | | | _ | _ | | _ | |
| Translation Adjustment | _ | 46,983 | _ | _ | _ | _ | | | _ | _ | | (46,983) | |
| Total Equity | 1,639,128,778 | (860,477,269) | (1,130,250,228) | (61,770,345) | = | = | = | | | = | = | 271,494 | (413,097, |
| Total Liabilities, Preferred Stock & Equity | 2,332,079,806 | (676,098,910) | (699,803,599) | | | | _ | _ | _ | | | (186,359,418) | 705,461, |

¹ The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

MOR-3: 9/1/2023 - 9/30/2023 Profit & Loss

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC |
|--|-----------------------------|---|--|------------------------|-------------------------------------|--|---|-----------------------------|--------------|--|--|
| Total Revenue | | | | | | | | | | | |
| (dollars in thousands) | | | | | | | | | | | |
| Hosting revenue from | | | | | | | | | | | |
| customers | _ | _ | 8,954,530 | _ | _ | _ | _ | _ | _ | _ | _ |
| Hosting revenue from related | | | | | | | | | | | |
| parties | _ | _ | 2,544,537 | _ | _ | | _ | _ | _ | _ | _ |
| Equipment sales to customers | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to related | | | | | | | | | | | |
| parties | | 2,160,518 | 23,285,302 | | | _ | | | _ | | _ |
| Digital asset mining income Network services and defi | _ | 2,100,518 | 23,285,302 | _ | _ | _ | _ | _ | _ | _ | _ |
| revenue | | | | | | | | | | | |
| | | 2 1 (0 510 | 34,784,369 | | | | | | | | |
| Total Revenue | | 2,160,518 | | | | | | | | | |
| Cost of revenue | | | (28,856,998) | | | | | | | | |
| Gross Profit | | 2,160,518 | 5,927,371 | | | | | | | | |
| Gain (loss) on legal settlements | | | | _ | _ | | | | _ | _ | |
| Gain (loss) from sales of digital | | | | | | | | | | | |
| currency assets | _ | 1,616 | 178,047 | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairments of digital | | | | | | | | | | | |
| currency assets | | (10,893) | (163,462) | _ | | | | | | | _ |
| Impairment of goodwill and | | | | | | | | | | | |
| other intangibles | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of property, plant and equipment | | | | | | | | | | | |
| Losses on exchange or disposal | _ | | | | | | | | | | _ |
| of property, plant and | | | | | | | | | | | |
| equipment | _ | _ | (339,504) | _ | _ | _ | _ | _ | _ | _ | _ |
| Operating expenses: | _ | | (557,504) | _ | _ | _ | _ | _ | _ | _ | _ |
| Research and development | _ | _ | (603,750) | _ | _ | _ | _ | _ | _ | _ | _ |
| Sales and marketing | _ | _ | (301,036) | _ | _ | _ | _ | _ | _ | _ | _ |
| General and administrative | _ | (2,567) | (6,261,136) | _ | _ | _ | _ | _ | _ | _ | _ |
| Advisor Fees | _ | ` <u></u> | | _ | _ | _ | _ | _ | _ | _ | _ |
| Total operating expenses | | (2,567) | (7,165,923) | _ | | | | | | | |
| Operating Income (Loss) | | 2,148,674 | (1,563,471) | | | | | | | | |
| Non-operating income (expense), | | _,, | (-,,) | | | | | | | | |
| net: | | | | | | | | | | | |
| Loss on debt extinguishment | _ | _ | 373,495 | _ | _ | _ | _ | _ | _ | _ | _ |
| Interest expense, net | _ | _ | (210,753) | _ | _ | _ | _ | _ | _ | _ | _ |
| Other non-operating expenses, | | | | | | | | | | | |
| net | _ | _ | 741,000 | _ | _ | _ | _ | _ | _ | _ | _ |
| Reorganization items | | | (1,750,139) | | | | | | | | |
| Total Non-operating income | | | | | | | | | | | |
| (expense), net: | | | (846,397) | | | | | | | | |
| Income (loss) before income taxes | | 2,148,674 | (2,409,868) | _ | | | | | _ | | |
| Income tax expense | _ | | (113,769) | _ | | _ | _ | _ | _ | _ | _ |
| Net Income (Loss) | | 2,148,674 | (2,523,637) | _ | | | _ | | | | _ |
| · / | | | | | | | | | | | |

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

| In Re. American Property Acquisition | | § Case No. 22-90349 | |
|---|---|--|--------|
| P.1. () | { | § Lead Case No. 22-90341 | |
| Debtor(s) | Ş | § I jointly Administered | |
| Monthly Operating Report | | Chap | ter 11 |
| Reporting Period Ended: 09/30/2023 | 3 | Petition Date: 12/21/2022 | |
| Months Pending: 9 | | Industry Classification: 3 3 4 1 | |
| Reporting Method: | Accrual Basis | ☐ Cash Basis ☐ | |
| Debtor's Full-Time Employees (curr | rent): | 0 | |
| Debtor's Full-Time Employees (as c | of date of order for relief): | 0 | |
| Supporting Documentation (check | all that are attached): | | |
| (For jointly administered debtors, ar | ny required schedules must be provi | vided on a non-consolidated basis for each debtor) | |
| Statement of operations (profice Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to profect Schedule of payments to insider All bank statements and bank | summary and detail of the assets, lie t or loss statement) | | |
| /s/ Alfredo R. Pérez | | Alfredo R. Pérez | |
| Signature of Responsible Party | | Printed Name of Responsible Party | |
| 10/31/2023 | | _ | |
| Date | | 700 Louisiana Street, Suite 1700, Houston, Texas 77002 | |
| | | Address | |

 $STATEMENT: This \ Periodic \ Report \ is \ associated \ with \ an \ open \ bankruptcy \ case; \ therefore, \ Paperwork \ Reduction \ Act \ exemption \ 5 \ C.F.R. \\ \S \ 1320.4(a)(2) \ applies.$

| | 7. 5. value i iliteraturi i roporty i requisitions i, BBC | | |
|--------------|---|--------------------|------------|
| art 1 | : Cash Receipts and Disbursements | Current Month | Cumulative |
| ì. | Cash balance beginning of month | \$ 0 | |
| ٥. | Total receipts (net of transfers between accounts) | \$ 0 | \$ 0 |
| c . | Total disbursements (net of transfers between accounts) | \$ 0 | \$ 0 |
| 1. | Cash balance end of month (a+b-c) | \$ 0 | |
| . | Disbursements made by third party for the benefit of the estate | \$ 0 | \$ 0 |
| f. | Total disbursements for quarterly fee calculation (c+e) | \$ 0 | \$ 0 |
| | : Asset and Liability Status enerally applicable to Individual Debtors. See Instructions.) | Current Month | |
| l. | Accounts receivable (total net of allowance) | \$ 0 | |
|). | Accounts receivable over 90 days outstanding (net of allowance) | \$ 0 | |
| · : | Inventory (Book ⊠ Market □ Other □ (attach explanation)) | \$ 0 | |
| I | Total current assets | \$ 0 | |
|). | Total assets | \$ 0 | |
| · . | Postpetition payables (excluding taxes) | \$ 0 | |
| <u>.</u> | Postpetition payables past due (excluding taxes) | \$ 0 | |
| ;. 1. | Postpetition taxes payable | \$ 0 | |
| | Postpetition taxes payable Postpetition taxes payable | \$ 0 | |
| | Total postpetition debt (f+h) | \$ 0 | |
| | Prepetition secured debt | \$ 0 | |
| | • | \$ 0 | |
| | Prepetition priority debt Prepetition unsecured debt | <u>-</u> | |
| 1. | I . | | |
| | Total liabilities (debt) (j+k+l+m) | <u> </u> | |
| | Ending equity/net worth (e-n) | \$ 0 | |
| art 3 | : Assets Sold or Transferred | Current Month | Cumulative |
| | Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ 0 | \$ 0 |
| ١. | Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$ 0 | \$ 0 |
| | Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ 0 | \$ 0 |
| | | | |
| art 4 | : Income Statement (Statement of Operations) | Current Month | Cumulativa |
| not ge 1. | enerally applicable to Individual Debtors. See Instructions.) Gross income/sales (net of returns and allowances) | Current Month \$ 0 | Cumulative |
|). | Cost of goods sold (inclusive of depreciation, if applicable) | \$ 0 | |
| | Gross profit (a-b) | \$ 0 | |
| i. | Selling expenses | \$ 0 | |
| | General and administrative expenses | \$ 0 | |
| | Other expenses | \$ 0 | |
| | Depreciation and/or amortization (not included in 4b) | \$ 0 | |
| | Interest | \$ 0 | |
| | | | |
| | Taxes (local, state, and federal) | \$ 0 \$ 0 | |
| | Reorganization items | <u> </u> | e 0 |
| ζ. | Profit (loss) | \$ 0 | \$ 0 |

| Part 5: | Professional Fees | and Expenses | | | | | |
|---------|-------------------|----------------------------|----------|---------------------------|------------------------|-----------------------|-------------------|
| | | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulativ |
| D | Debtor's profess | ional fees & expenses (ban | kruptcy) | Current month | Cumantivo | Month | Cumulativ |
| a. A | Iggregate Total | • • | 1 3/ | | | | |
| It | temized Breakdo | own by Firm | | | | | 1 |
| | | Firm Name | Role | | | | |
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| | | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
|----|----------------------|------------------------------|------------------------|---------------------------|------------------------|-----------------------|--------------------|
| b. | Debtor's professiona | al fees & expenses (nonbankr | uptcy) Aggregate Total | | | | |
| | Itemized Breakdown | | | | | • | • |
| | Fi | rm Name | Role | | | | |
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| XXII | XX | | | | |
| XXIII | | | | | |
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| XXV XXVI XXVIII XXVIII XXIX XXXX XXXX XXXX XXXX XXXX XXXX XXXX XXXXII XXXXII XXXXII XXXXII XXXXII XXXXII XXXXII XXXXII XXXXII XXXXII XXXXII XXXXI XXXXI XXXXI XXXXI XXXXI XXXXI XXXXI XXXXXI XXXXXI XXXXXI XXXXI XXXXI | xxiii | | | | |
| XXVI | xxiv | | | | |
| XXVII | XXV | | | | |
| XXVII | xxvi | | | | |
| XXXIX XXXX XXXXX XXXXI XXXII xxvii | | | | |
| XXX XXXI XXXII XXXII XXXII XXXII XXXII XXXII XXXII XXXII XXXII XXXV XXXV XXXV XXXV XXXV XXXV XXXV XXXV XXXV XXXV XXXV XXXII XX | xxviii | | | | |
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| XXXIV XXXV XXXVI XXXVI XXXVI XXXVI XXXVI XXXVI XXXVI XXXVI XXXVI XXXVI XXXIX XI XI | xxxiii | | | | |
| XXXVII | | | | | |
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| XXXXIX XI | xxxvii | | | | |
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| | xcix | | | | | | |
|----|----------------|--|--------|-----|-----|-----|-----|
| | С | | | | | | |
| c. | All profession | nal fees and expenses (debtor & commit | itees) | \$0 | \$0 | \$0 | \$0 |

| Part 6: | : Postpetition Taxes | Curre | nt Month | Cum | ılative |
|---------|---|-------|----------|-----|---------|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 |
| b. | Postpetition income taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |
| c. | Postpetition employer payroll taxes accrued | \$ | 0 | \$ | 0 |
| d. | Postpetition employer payroll taxes paid | \$ | 0 | \$ | 0 |
| e. | Postpetition property taxes paid | \$ | 0 | \$ | 0 |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 |
| g. | Postpetition other taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |

| Part 7. O | uestionnaire - | - During t | hie rana | rting parie | d٠ |
|-----------|-----------------|------------|----------|-------------|-----|
| rart /: Q | ouestionnaire - | - During t | ms repo | rung peric | ou: |

| Part | 7: Questionnaire - During this reporting period: | | | |
|------|--|---------------|------|---|
| a. | Were any payments made on prepetition debt? (if yes, see Instructions) | Yes □ | No ⊠ | |
| b. | Were any payments made outside the ordinary course of business without court approval? (if | Yes □ | No ⊠ | |
| | yes, see Instructions) | | | |
| c. | Were any payments made to or on behalf of insiders? | Yes □ | No ⊠ | |
| d. | Are you current on postpetition tax return filings? | Yes ⊠ | No □ | |
| e. | Are you current on postpetition estimated tax payments? | Yes ⊠ | No □ | |
| f. | Were all trust fund taxes remitted on a current basis? | Yes ⊠ | No □ | |
| g. | Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes \square | No ⊠ | |
| h. | Were all payments made to or on behalf of professionals approved by the court? | Yes \square | No □ | N/A ⊠ |
| i. | Do you have: Worker's compensation insurance? | Yes ⊠ | No □ | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ (if no, see Instructions) |
| | Casualty/property insurance? | Yes ⊠ | No □ | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ (if no, see Instructions) |
| | General liability insurance? | Yes ⊠ | No □ | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ (if no, see Instructions) |
| j. | Has a plan of reorganization been filed with the court? | Yes ⊠ | No □ | |
| k. | Has a disclosure statement been filed with the court? | Yes ⊠ | No □ | |
| 1. | Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? | Yes ⊠ | No □ | |
| | | | | |

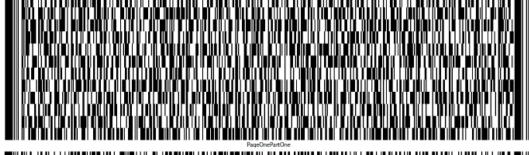
| Part 8: | Individual Chapter 11 Debtors (Only) | | | |
|---------|---|-------|------|-------|
| a. | Gross income (receipts) from salary and wages | \$ | 0 | |
| b. | Gross income (receipts) from self-employment | \$ | 0 | |
| c. | Gross income from all other sources | \$ | 0 | |
| d. | Total income in the reporting period (a+b+c) | \$ | 0 | |
| e. | Payroll deductions | \$ | 0 | |
| f. | Self-employment related expenses | \$ | 0 | |
| g. | Living expenses | \$ | 0 | |
| h. | All other expenses | \$ | 0 | |
| i. | Total expenses in the reporting period (e+f+g+h) | \$ | 0 | |
| j. | Difference between total income and total expenses (d-i) | \$ | 0 | |
| k. | List the total amount of all postpetition debts that are past due | \$ | 0 | |
| 1. | Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes □ | No ⊠ | |
| m. | If yes, have you made all Domestic Support Obligation payments? | Yes □ | No □ | N/A ⊠ |

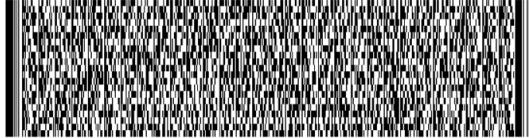
Privacy Act Statement

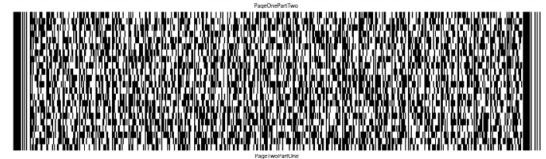
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

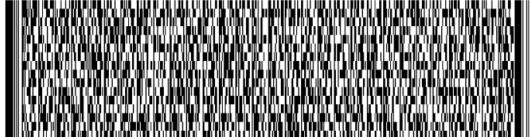
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

| /s/ Michael Bros | Michael Bros |
|---------------------------------------|-----------------------------------|
| Signature of Responsible Party | Printed Name of Responsible Party |
| SVP, Capital Markets and Acquisitions | 10/31/2023 |
| Title | Date |





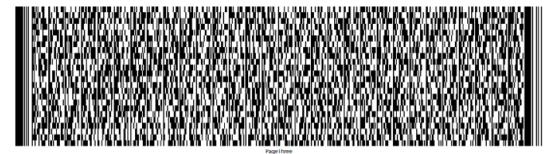


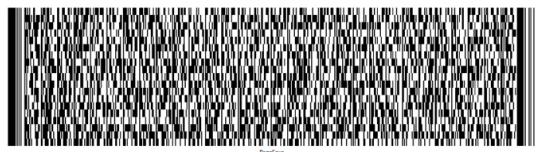


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Bankruptcy1to50

NonBankruntov51to10





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IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

§ Chapter 11 Case No. 22-90341(CML) CORE SCIENTIFIC, INC., et al., Debtors.1 (Jointly Administered)

In re:

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave, Suite E-101, Austin, TX 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.
 - Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.
- 3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.
 - The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.
- 4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' receipt anagement practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-byentity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired
Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain
separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect
no balances

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- 8. Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

MOR-1: 9/1/2023 - 9/30/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Core Scientific Radar Scientific Relay, Mining Inc. LLC Starboard American
Property
Capital RADAR Acquisitions
LLC LLC I, LLC American Property Acquisitions VII, LLC Core Scientific Specialty Mining American Property Core Core Scientific Starboard Scientific, Acquired Mining LLC Operating Company (Oklahoma) Acquisition, LLC Description Inc. LLC Total Receipts
Operating Sales
Proceeds
Bitmain Coupon
Sales
Other Receipts 1,903,870 2,238,422 23,412,610 27,554,903 9,796,103 37,351,006 9.796.058 45 1,903,915 **Total Receipts** 2,238,422 33.208.669 Disbursements Suppliers or 1,789,755 1,988,941 20,803,184 24,581,881 vendors Taxes / Governmental 5,188 1,365,265 5,684 9,144,933 Services Financial / Bank 7,649,138 130,530 82 168 90.024 Fees Employee Expense 7.856 304,078 3,180,477 3,484,554 **Total Disbursements** 9,438,893 2,431,900 25,436,282 37,307,075 202,710,006 Net Cash Flow (excl. (7,534,978) (193,478) 7,772,387 43,931 Internal Transfers) Cash Balance Beginning of Month 21,805,654 141,898 41,951,592 63,899,144 Net Cash Flow Disbursement (7,534,978)(193,478) 7,772,387 43,931 Allocation Cash Balance End 2,431,900 (2,431,900) of Month (excl. Internal Transfers) 14,270,676 2,380,320 47,292,079 63,943,075 Bank Cash Balance Beginning of Month Net Cash Flow 21,805,654 141,898 41,951,592 63,899,144 (excl. Internal Transfers; w/ (193,478) (7,534,978) 7,772,387 43,931 Allocation) MOR Part 1 d. Cash Balance \$14,270,676 \$ (51,580) \$49,723,979 \$ \$ 63,943,075 Reversing Disbursement 2.431.900 (2.431.900)Allocation Internal Transfers 8,485,968 (6,300,968) Cash Balance End of Month \$22,756,644 195,320 \$40,991,111 \$ \$ 63,943,075

MOR-2: End of September 2023 Balance Sheet

2,332,079,806

(676,098,910)

(699,803,599) (64,356,364)

Stock & Equity

Core Scientific Core Scientific Core Specialty Mining American American American Property Scientific Core Core Scientific Property Starboard Property Capital RADAR Acquisitions
LLC LLC I, LLC Acquired Mining LLC Operating Company Acquisition, LLC Acquisitions Elimination VII, LLC Co Scientific, Radar Mining (Oklahoma) Inc. Total¹ Relay, Inc. LLC LLC (dollars in thousands)
ASSETS
Cash and Equivalents 1,764,468 20,992,176 195,320 40,186,086 42,145,8 Restricted Cash 805,024 21,797,2 195,320 63,943,0 Total Cash Accounts receivable, net of allowance 1,109,073 1,109,0 Accounts receivable from related 466 233 865 1 160 033 (148 149 184) 153 152 561 (472 397 274) parties Deposits for equipment Digital currency 559,280 559,2 assets Prepaid expenses and 22,598,120 27.041.221 (22.593.530) 27.045.8 other Total other 12,734 current assets 1,840,530,509 (1,128,185,364) (706,365,615) 5,992,2 Total Current 2.329.521.017 (952,239,363) (1.109.062.205) 1,172,767 (170.742.714)98,649,5 Assets Property, plant and equipment Operating lease-right-of-use 43,553,074 521,053,333 (15,616,704) 548,989,7 assets Goodwill 6,583,247 (167,058,249) 6,583,2 232,587,379 (65,529,130) Intangible 2,447,5 2,447,508 assets, net Other noncurrent 2 558,789 assets (0) 46.232.768 48 791 5 Total Assets 2,332,079,806 (699,803,599) (64,356,364) (186,359,418) (676,098,910) 705,461,5 LIABILITIES PREFERRED STOCK & EQUITY Accounts 148,157,171 1,750 (148, 149, 184) 78,794,824 78,804,5 Payable Accrued expenses and 199,366 other 18.136.331 54.733.437 73.069.1 Deferred (38,481,727) 101.652.116 63.170.3 revenue Derivative warrant liabilities Operating lease liabilities, portion Financing lease 204,516 204,5 liabilities, current 19,832,575 19,832,5 portion Long-term debt, current (559,901,857) 723,122,505 163,220,6 portion Total current (186,630,911) (559,702,491) 166,293,502 1.750 398,301,8 liabilities 978,339,973 Operating lease liabilities, net of current portion 1,046,649 1,046,6 Financing lease liabilities, net of current portion 35,908,670 35,908,6 Long-term debt, net of current 568,258,150 113,884,055 682,142,2 portion Other noncurrent liabilities 18,084,856 1,159,7 (14.337.349) (2.587.769)Total Liabilities Pre-Petition 8,555,659 184,378,359 1.114.841.999 (2,586,019)(186,630,911) 1,118,559,0 Subject to Compromis 684,395,370 (684,395,370) Total Pre-Petition Subject to 684,395,370 (684,395,370) Compromise Preferred stock Common stock Additional paid-37,478 37,4 in capital
Accumulated 1,818,873,138 (15,979,141)2,887,621 1,805,781,6 (179,781,838) (61,770,345) (2,218,916.6 (844,545,110) (1,133,137,849) 318,476 deficit Other Comprehensive Income Cumulative Translation Adjustment **Total Equity** 1,639,128,778 (860,477,269) (1,130,250,228) (61,770,345) 271,494 (413,097,5 Total Liabilities, Preferred

(186, 359, 418)

705,461,5

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII,LLC |
|---|-----------------------------|---|--|------------------------|-------------------------------------|--|---|-----------------------------|--------------|--|---|
| Total Revenue | | | | | | | | | | | |
| (dollars in thousands) | | | | | | | | | | | |
| Hosting revenue from customers | _ | _ | 8,954,530 | _ | _ | _ | _ | _ | _ | _ | _ |
| Hosting revenue from related | | | | | | | | | | | |
| parties | _ | _ | 2,544,537 | | | | _ | | | _ | _ |
| Equipment sales to customers Equipment sales to related parties | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Digital asset mining income | | 2,160,518 | 23,285,302 | | | | | | | | _ |
| Network services and defi revenue | | 2,100,516 | 23,203,302 | | _ | | _ | _ | | _ | _ |
| | | 2,160,518 | 34,784,369 | _= | _= | | | | | | |
| Total Revenue | | | | | | | | | | | |
| Cost of revenue | | | (28,856,998) | | | | | | | | |
| Gross Profit | | 2,160,518 | 5,927,371 | | | | | | | | |
| Gain (loss) on legal settlements | _ | _ | _ | _ | _ | _ | _ | _ | | _ | _ |
| Gain (loss) from sales of digital currency assets | _ | 1,616 | 178,047 | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairments of digital currency | | 1,010 | 170,017 | | | | | | | | |
| assets | _ | (10.893) | (163,462) | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of goodwill and other intangibles | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairment of property, plant and equipment | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Losses on exchange or disposal of | | | (220.50.4) | | | | | | | | |
| property, plant and equipment | _ | _ | (339,504) | _ | _ | _ | _ | _ | _ | _ | _ |
| Operating expenses: Research and development | | | (603,750) | | | | | | | | _ |
| Sales and marketing | | _ | (301,036) | | | | _ | _ | | | _ |
| General and administrative | | (2,567) | (6,261,136) | | | | | | | | _ |
| Advisor Fees | | (2,307) | (0,201,130) | | | | | | | | |
| Total operating expenses | | (2,567) | (7,165,923) | | | | | | | | |
| | | | | | | | | | | | |
| Operating Income (Loss) Non-operating income (expense), net: | | 2,148,674 | (1,563,471) | | | | _ | | | | _ |
| Loss on debt extinguishment | | | 373,495 | _ | | | | | | | |
| Interest expense, net | | | (210,753) | | | | | | | | |
| Other non-operating expenses, net | | | 741,000 | | | | _ | _ | | | _ |
| Reorganization items | _ | | (1,750,139) | _ | | | | | | | _ |
| Total Non-operating income (expense), | | | (1,730,137) | | | | | | | | |
| net: | | | (846,397) | | | | | | | | |
| Income (loss) before income taxes | _ | 2,148,674 | (2,409,868) | _ | _ | _ | _ | _ | _ | _ | _ |
| Income tax expense | | | (113,769) | | | | | | | | |
| Net Income (Loss) | | 2,148,674 | (2,523,637) | | | | | | | | |

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

| In Re. American Property Acquisitions VII, LLC | § § | Case No. 22-90350 | |
|--|-----------------------------|---|------------|
| Debtor(s) | | Lead Case No. 22-90341 | |
| | | ■ Jointly Administered | |
| Monthly Operating Report | | | Chapter 11 |
| Reporting Period Ended: 09/30/2023 | | Petition Date: 12/21/2022 | |
| Months Pending: 9 | | Industry Classification: 3 3 4 1 | |
| Reporting Method: | Accrual Basis | Cash Basis | |
| Debtor's Full-Time Employees (current): | | 0 | |
| Debtor's Full-Time Employees (as of date of order for relief): | | 0 | |
| Supporting Documentation (check all that are attached): (For jointly administered debtors, any required schedules must Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the assets statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for the reputation of the assets sold or transferred and the term | assets, liabilities and equ | , | |
| /s/ Alfredo R. Pérez | | lfredo R. Pérez | |
| Signature of Responsible Party | P | rinted Name of Responsible Party | |
| 10/31/2023 | | | |
| Date | - | 00 Louisiana Street, Suite 1700, Houston, Texas | 77002 |
| | A | ddress | |

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

| Part | : Cash Receipts and Disbursements | Current | Month | Cumulati | ive |
|------|---|----------|-------|----------|-----|
| a. | Cash balance beginning of month | \$ | 0 | | |
| b. | Total receipts (net of transfers between accounts) | \$ | 0 | \$ | 0 |
| c. | Total disbursements (net of transfers between accounts) | \$ | 0 | \$ | 0 |
| d. | Cash balance end of month (a+b-c) | \$ | 0 | | |
| e. | Disbursements made by third party for the benefit of the estate | \$ | 0 | \$ | 0 |
| f. | Total disbursements for quarterly fee calculation (c+e) | \$ | 0 | \$ | 0 |
| _ | | | | | |
| (Not | 2: Asset and Liability Status generally applicable to Individual Debtors. See Instructions.) | Current | Month | | |
| a. | Accounts receivable (total net of allowance) | \$ | 0 | | |
| b. | Accounts receivable over 90 days outstanding (net of allowance) | \$ | 0 | | |
| c. | Inventory (Book Market □ Other □ (attach explanation)) | \$ | 0 | | |
| d | Total current assets | \$ | 0 | | |
| e. | Total assets | \$ | 0 | | |
| f. | Postpetition payables (excluding taxes) | \$ | 0 | | |
| g. | Postpetition payables past due (excluding taxes) | \$ | 0 | | |
| h. | Postpetition taxes payable | \$ | 0 | | |
| i. | Postpetition taxes past due | \$ | 0 | | |
| j. | Total postpetition debt (f+h) | \$ | 0 | | |
| k. | Prepetition secured debt | \$ | 0 | | |
| 1. | Prepetition priority debt | \$ | 0 | | |
| m. | Prepetition unsecured debt | \$ | 0 | | |
| n. | Total liabilities (debt) (j+k+l+m) | \$ | 0 | | |
| 0. | Ending equity/net worth (e-n) | \$ | 0 | | |
| | | <u>·</u> | | | |
| | 3: Assets Sold or Transferred | Current | | Cumulati | ive |
| a. | Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ | 0 | \$ | 0 |
| b. | Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$ | 0 | \$ | 0 |
| c. | Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$ | 0 | \$ | 0 |
| Dont | Is Income Statement (Statement of Onewations) | | | | |
| (Not | I: Income Statement (Statement of Operations) generally applicable to Individual Debtors. See Instructions.) | Current | Month | Cumulati | ive |
| a. | Gross income/sales (net of returns and allowances) | \$ | 0 | | |
| b. | Cost of goods sold (inclusive of depreciation, if applicable) | \$ | 0 | | |
| c. | Gross profit (a-b) | \$ | 0 | | |
| d. | Selling expenses | \$ | 0 | | |
| e. | General and administrative expenses | \$ | 0 | | |
| f. | Other expenses | \$ | 0 | | |
| g. | Depreciation and/or amortization (not included in 4b) | \$ | 0 | | |
| h. | Interest | \$ | 0 | | |
| i. | Taxes (local, state, and federal) | \$ | 0 | | |
| j. | Reorganization items | \$ | 0 | | |
| k. | Profit (loss) | \$ | 0 | \$ | 0 |
| | | | | | |

| Part | 5: Professional | Fees and Expenses | | | | | |
|------|-----------------|-----------------------------------|-------------------------|---------------------------|------------------------|-----------------------|--------------------|
| | | • | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
| a. | Debtor's pro | ofessional fees & expenses (bankr | ruptcy) Aggregate Total | | | | |
| | Itemized Bre | eakdown by Firm | | | | | |
| | | Firm Name | Role | | | | |
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| b. | Debtor's pr | ofessional fees & expenses (nor | nbankruptcy) Aggregate Total | | | | |
| | Itemized Br | eakdown by Firm | | | | | |
| | | Firm Name | Role | | | | |
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| | c | | | | | | |
| c. | All pro | fessional fees and expenses (debto | \$ 0 | \$ 0 | \$ 0 | \$ 0 | |

| Part 6: | Postpetition Taxes | Curren | t Month | Cumu | lative |
|---------|---|--------|---------|------|--------|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 |
| b. | Postpetition income taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |
| c. | Postpetition employer payroll taxes accrued | \$ | 0 | \$ | 0 |
| d. | Postpetition employer payroll taxes paid | \$ | 0 | \$ | 0 |
| e. | Postpetition property taxes paid | \$ | 0 | \$ | 0 |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$ | 0 | \$ | 0 |
| g. | Postpetition other taxes paid (local, state, and federal) | \$ | 0 | \$ | 0 |

| Part 7. (| Ouestionnaire - | During this | reporting | neriod: |
|-----------|-----------------|-------------|-----------|---------|
| | | | | |

| a. | Were any payments made on prepetition debt? (if yes, see Instructions) | Yes □ | No ⊠ | |
|----|--|-------|------|---|
| b. | Were any payments made outside the ordinary course of business without court approval? (if | Yes □ | No ⊠ | |
| | yes, see Instructions) | | | |
| c. | Were any payments made to or on behalf of insiders? | Yes □ | No ⊠ | |
| d. | Are you current on postpetition tax return filings? | Yes ⊠ | No □ | |
| e. | Are you current on postpetition estimated tax payments? | Yes ⊠ | No □ | |
| f. | Were all trust fund taxes remitted on a current basis? | Yes ⊠ | No □ | |
| g. | Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes □ | No ⊠ | |
| h. | Were all payments made to or on behalf of professionals approved by the court? | Yes □ | No □ | N/A ⊠ |
| i. | Do you have: Worker's compensation insurance? | Yes ⊠ | No □ | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ (if no, see Instructions) |
| | Casualty/property insurance? | Yes ⊠ | No □ | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ (if no, see Instructions) |
| | General liability insurance? | Yes ⊠ | No □ | |
| | If yes, are your premiums current? | Yes ⊠ | No □ | $N/A \square$ (if no, see Instructions) |
| j. | Has a plan of reorganization been filed with the court? | Yes ⊠ | No □ | |
| k. | Has a disclosure statement been filed with the court? | Yes ⊠ | No □ | |
| 1. | Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? | Yes ⊠ | No □ | |

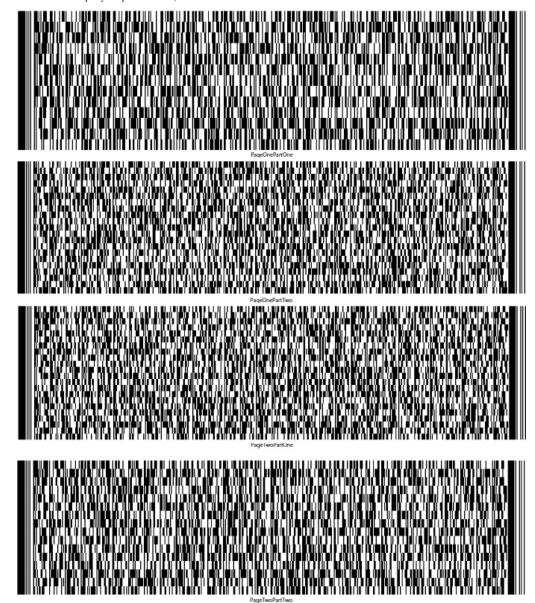
| Part | 8: Individual Chapter 11 Debtors (Only) | | |
|------|---|------------|-------|
| a. | Gross income (receipts) from salary and wages | \$ | 0 |
| b. | Gross income (receipts) from self-employment | \$ | 0 |
| c. | Gross income from all other sources | \$ | 0 |
| d. | Total income in the reporting period (a+b+c) | \$ | 0 |
| e. | Payroll deductions | \$ | 0 |
| f. | Self-employment related expenses | \$ | 0 |
| g. | Living expenses | \$ | 0 |
| h. | All other expenses | \$ | 0 |
| i. | Total expenses in the reporting period (e+f+g+h) | \$ | 0 |
| j. | Difference between total income and total expenses (d-i) | \$ | 0 |
| k. | List the total amount of all postpetition debts that are past due | \$ | 0 |
| 1. | Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes □ No ⊠ | |
| m. | If yes, have you made all Domestic Support Obligation payments? | Yes □ No □ | N/A ⊠ |

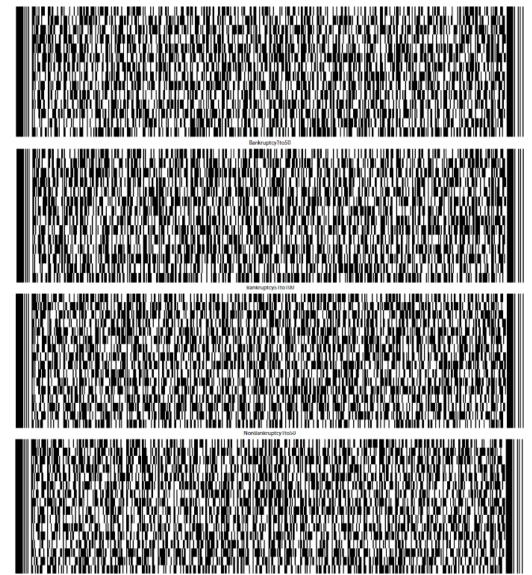
Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

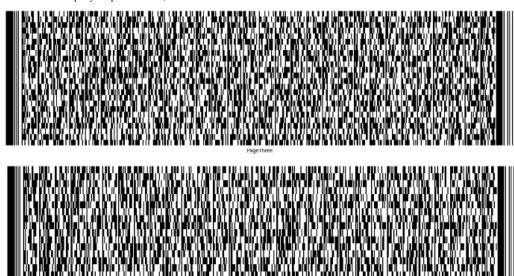
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

| /s/ Michael Bros | Michael Bros |
|---------------------------------------|-----------------------------------|
| Signature of Responsible Party | Printed Name of Responsible Party |
| SVP, Capital Markets and Acquisitions | 10/31/2023 |
| Title | Date |





ruptcy51to100



12

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:

\$ Chapter 11

\$ CORE SCIENTIFIC, INC., et al.,

Debtors. 1

\$ (Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR SEPTEMBER 2023

On December 21, 2022 (the "Petition Date"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors" or the "Company"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity Committee") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles
generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the
Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances
presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases,
the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in
accordance with their historical accounting practices. Accordingly, this MOR is true and

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave, Suite E-101, Austin, TX 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on September 1, 2023 and ending September 30, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on September 1, 2023 and ending September 30, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so

- 3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisitions, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.
 - The amounts reported in this MOR are as-of September 30, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning September 1, 2023 and ending September 30, 2023.
- Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent
 financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.
 - The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency.</u> Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash
 Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule
 of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q3 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through September 30, 2023 are \$385,563,057.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period.

12. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialogue with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

MOR-1: 9/1/2023 - 9/30/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

| | Core Scientific, | Core Scientific Acquired Mining | Core Scientific Operating | Relay, | Core Scientific Mining | (Oklahoma) | American Property Acquisition, | | | American Property Acquisitions | | |
|---|---------------------|--|---------------------------------|---|--|--|--|--|--|--|--|---------------|
| Description | Inc. | LLC | Company | Inc. | LLC | LLC | LLC | LLC | LLC | I, LLC | VII, LLC | Total |
| Receipts | | | | | | | | | | | | |
| Operating Sales Proceeds | 1,903,870 | 2,238,422 | 23,412,610 | _ | _ | _ | _ | _ | _ | _ | _ | 27,554,903 |
| Bitmain Coupon Sales | ,, | ,, | -, ,- | | | | | | | | | , , , , , , |
| Other Receipts | 45 | | 9,796,058 | | | | | | | | | 9,796,103 |
| Total Receipts | 1,903,915 | 2,238,422 | 33,208,669 | | | | | | _= | | | 37,351,006 |
| Total Receipts | 1,705,715 | 2,230,422 | 33,200,007 | | | | | | | | | 57,551,000 |
| Disbursements | | | | | | | | | | | | |
| Suppliers or vendors Taxes / | 1,789,755 | 1,988,941 | 20,803,184 | _ | _ | _ | _ | _ | _ | _ | _ | 24,581,881 |
| Governmental | _ | 496 | 5.188 | _ | _ | _ | _ | _ | _ | _ | _ | 5,684 |
| Services | 7.649.138 | 130.530 | 1.365.265 | _ | _ | _ | _ | _ | _ | _ | _ | 9,144,933 |
| Financial / Bank Fees | _ | 7.856 | 82,168 | _ | _ | _ | _ | _ | _ | _ | _ | 90,024 |
| Employee Expense | _ | 304,078 | 3,180,477 | _ | _ | _ | _ | _ | _ | _ | _ | 3,484,554 |
| Total Disbursements | 9,438,893 | 2,431,900 | 25,436,282 | | | | | | | | | 37,307,075 |
| | -,, | _,, | ,, | | | | | | | | | 202,710,006 |
| Net Cash Flow (excl. Internal Transfers) | (7,534,978) | (193,478) | 7,772,387 | _ | _ | _ | _ | _ | _ | _ | _ | 43,931 |
| Cash Balance | (1,000,000) | (250,110) | | | | | | | | | | |
| Beginning of | ******** | 444.000 | 44.054.505 | | | | | | | | | ca 000 444 |
| Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow | (7,534,978) | (193,478) | 7,772,387 | | _ | _ | | | | | | 43,931 |
| Disbursement Allocation | _ | 2,431,900 | (2,431,900) | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Cash Balance End of | | | | | | | | | | | | |
| Month (excl. Internal Transfers) | 14,270,676 | 2,380,320 | 47,292,079 | _ | _ | _ | _ | _ | _ | _ | _ | 63,943,075 |
| Bank Cash Balance | | | | | | | | | | | | |
| Beginning of | | | | | | | | | | | | |
| Month | 21,805,654 | 141,898 | 41,951,592 | _ | _ | _ | _ | _ | _ | _ | _ | 63,899,144 |
| Net Cash Flow (excl. | | | | | | | | | | | | |
| Internal Transfers; | (7.524.070) | (102.470) | 7 772 207 | | | | | | | | | 42 021 |
| w/ Allocation) | (7,534,978) | (193,478) | 7,772,387 | | | | | | | | | 43,931 |
| MOR Part 1 d. | | | 0.40 === 0.=0 | | | _ | | | _ | | | |
| Cash Balance | <u>\$14,270,676</u> | <u>\$ (51,580)</u> | \$49,723,979 | <u>\$ </u> | <u>s — </u> | <u>s — </u> | <u>s — </u> | <u>s — </u> | <u>\$ —</u> | <u>s — </u> | <u>s — </u> | \$ 63,943,075 |
| Reversing Disbursement | | | | | | | | | | | | |
| Allocation | | 2.431.900 | (2.431.900) | | | | | _ | | | | _ |
| Internal Transfers | 8,485,968 | (2,185,000) | (6,300,968) | | | | | | | | | |
| Cash Balance End | 0,400,700 | (2,105,000) | (0,500,700) | | | | | | | | | |
| of Month | \$22,756,644 | \$ 195,320 | \$40,991,111 | <u>s —</u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s </u> | <u>s </u> | \$ 63,943,075 |

MOR-2: End of September 2023 Balance Sheet

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc. | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC | Elimination Co | Tots |
|---|--------------------------------|--|--|----------------------------|-------------------------------------|--|---|-----------------------------|-------|---|--|-------------------------------|---------------------|
| (dollars in thousands) ASSETS Cash and | THE. | Willing EEC | Company | Teluj, mei | LEC | EEC | EEC | LEC | LLC | requisitions i, EEC | VII, EEC | | 100 |
| Equivalents | 1,764,468 | 195,320 | 40,186,086 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 42,1 |
| Restricted Cash Total Cash | 20,992,176 22,756,644 | 195,320 | 805,024 40,991,110 | | | | | | | | | | 63,9 |
| Accounts receivable, net of | 22,700,011 | 170,020 | | | | | | | | | | | |
| allowance Accounts receivable from | _ | _ | 1,109,073 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,1 |
| related parties Deposits for equipment | 466,233,865 | 153,152,561 | (472,397,274) | 1,160,033 | _ | _ | | _ | _ | _ | _ | (148,149,184) | |
| Digital currency | | | 550.200 | | | | | | | | | | _ |
| assets Prepaid expenses | | | 559,280 | _ | _ | _ | _ | _ | _ | | _ | | 5 |
| and other Total other current | 1,840,530,509 | 22,598,120 (1,128,185,364) | 27,041,221 (706,365,615) | 12,734 | _ | _ | _ | _ | _ | _ | _ | (22,593,530) | 27,0 |
| assets Total Current | 1,840,330,309 | (1,128,183,304) | (700,303,013) | 12,/34 | | | | | | | | | 5,9 |
| Assets Property, plant and | 2,329,521,017 | (9 52,239,363) 43,553,074 | (1,109,062,205) 521,053,333 | 1,172,767 | _ | _ | _ | _ | _ | _ | _ | (170,742,714) (15,616,704) | 98,6 548,9 |
| equipment Operating lease-right-of-use | _ | 43,333,074 | | _ | _ | _ | _ | _ | _ | _ | _ | (13,616,704) | |
| assets Goodwill | | 232,587,379 | 6,583,247 (167,058,249) | (65 529 130) | _ | _ | _ | _ | _ | _ | _ | _ | 6,5 |
| Intangible assets, net | _ | | 2,447,508 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 2,4 |
| Other noncurrent assets | 2,558,789 | (0) | 46,232,768 | | | | | | | | | | 48,7 |
| Total Assets LIABILITIES, | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | | | | | | | | (186,359,418) | 705,4 |
| PREFERRED STOCK & EQUITY | | | | | | | | | | | | | |
| Accounts Payable Accrued expenses | _ | 148,157,171 | 78,794,824 | 1,750 | _ | _ | _ | _ | _ | _ | _ | (148,149,184) | 78,8 |
| and other Deferred revenue | 199,366 | 18,136,331 | 54,733,437 101,652,116 | _ | _ | _ | _ | _ | _ | _ | _ | (38,481,727) | 73,0 63,1 |
| Derivative warrant liabilities | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Operating lease liabilities, current portion | _ | _ | 204,516 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 2 |
| Financing lease liabilities, current portion | | | 19,832,575 | | | | | | | | | | 19,8 |
| Long-term debt, current portion | (559,901,857) | _ | 723,122,505 | _ | _ | _ | _ | _ | | _ | _ | _ | 163,2 |
| Total current liabilities Operating lease | (559,702,491) | 166,293,502 | 978,339,973 | 1,750 | _ | | | | _ | | | (186,630,911) | 398,3 |
| liabilities, net of current portion Financing lease | _ | _ | 1,046,649 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,0 |
| liabilities, net of current portion | _ | _ | 35,908,670 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 35,9 |
| Long-term debt, net of current portion | 568,258,150 | _ | 113,884,055 | _ | _ | _ | _ | _ | _ | _ | _ | _ | 682,1 |
| Other noncurrent | 500,250,150 | | | | | | | | | | | | |
| liabilities Total Liabilities Pre-Petition Subject | 8,555,659 | 184,378,359 | (14,337,349) 1,114,841,999 | (2,587,769) (2,586,019) | | | | | | | | (186,630,911) | 1,118,5 |
| to Compromise Total Pre-Petition | 684,395,370 | | (684,395,370) | | | | | | | | | | |
| Subject to Compromise | 684,395,370 | _ | (684,395,370) | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Preferred stock Common stock | 37,478 | | | | | _ | _ | | | | _ | | |
| Additional paid-in | | _ | _ | _ | | _ | _ | _ | | _ | _ | _ | |
| capital Accumulated deficit | 1,818,873,138 (179,781,838) | (15,979,141) | 2,887,621 (1,133,137,849) | (61 770 245) | _ | _ | _ | _ | _ | _ | _ | 318,476 | 1,805,7 (2,218,9 |
| Other Comprehensive | (177,701,030) | (077,343,110) | (1,100,107,049) | (01,770,040) | _ | | | _ | _ | | _ | 510,470 | (2,210,9 |
| Income Cumulative Translation | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Adjustment | _ | 46,983 | _ | _ | _ | _ | _ | _ | _ | _ | _ | (46,983) | |
| Total Equity | 1,639,128,778 | | (1,130,250,228) | (61,770,345) | | | | | | | | 271,494 | (413,0 |
| Total Liabilities, Preferred Stock & Equity | 2,332,079,806 | (676,098,910) | (699,803,599) | (64,356,364) | _ | _ | _ | _ | _ | _ | _ | (186,359,418) | 705,4 |

¹ The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

MOR-3: 9/1/2023 - 9/30/2023 Profit & Loss

| | Core Scientific, Inc. | Core Scientific Acquired Mining LLC | Core Scientific Operating Company | Radar Relay, Inc | Core Scientific Mining LLC | Core Scientific Specialty Mining (Oklahoma) LLC | American Property Acquisition, LLC | Starboard Capital LLC | RADAR LLC | American Property Acquisitions I, LLC | American Property Acquisitions VII, LLC |
|---|-----------------------------|---|--|------------------------|-------------------------------------|--|---|-----------------------------|--------------|--|--|
| Total Revenue | | | | | | , | | | | , | , |
| (dollars in thousands) | | | | | | | | | | | |
| Hosting revenue from customers | | | 8,954,530 | | | | | | | | |
| Hosting revenue from | _ | _ | 0,954,550 | _ | | | | _ | _ | _ | _ |
| related parties | _ | _ | 2,544,537 | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to | | | 2,011,007 | | | | | | | | |
| customers | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Equipment sales to | | | | | | | | | | | |
| related parties | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Digital asset mining income | | 2,160,518 | 23,285,302 | | | | | | | | |
| Network services and | _ | 2,100,516 | 23,265,302 | | _ | _ | _ | _ | _ | _ | _ |
| defi revenue | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Total Revenue | | 2,160,518 | 34,784,369 | | | | | | | | |
| Cost of revenue | | 2,100,510 | (28,856,998) | | | | | | | | |
| Gross Profit | | 2,160,518 | 5,927,371 | | | | | | | | |
| Gain (loss) on legal | | 2,100,510 | 3,727,371 | | | | | | | | |
| settlements | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Gain (loss) from sales of | | | | | | | | | | | |
| digital currency | | | | | | | | | | | |
| assets | _ | 1,616 | 178,047 | _ | _ | _ | _ | _ | _ | _ | _ |
| Impairments of digital | | | | | | | | | | | |
| currency assets | | (10,893) | (163,462) | _ | | | | | | | |
| Impairment of goodwill and other intangibles | | | | | | | | | | | |
| Impairment of | _ | _ | _ | | _ | _ | _ | _ | _ | _ | _ |
| property, plant and | | | | | | | | | | | |
| equipment | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Losses on exchange or | | | | | | | | | | | |
| disposal of property, | | | (220.50.4) | | | | | | | | |
| plant and equipment | _ | _ | (339,504) | _ | _ | _ | _ | _ | _ | _ | _ |
| Operating expenses: Research and | | | | | | | | | | | _ |
| development | _ | _ | (603,750) | _ | _ | _ | _ | _ | _ | _ | _ |
| Sales and marketing | _ | _ | (301,036) | _ | _ | _ | _ | _ | _ | _ | _ |
| General and | | | , , , , , | | | | | | | | |
| administrative | _ | (2,567) | (6,261,136) | _ | _ | _ | _ | _ | _ | _ | _ |
| Advisor Fees | | | | | | | | | | | |
| Total operating expenses | | (2,567) | (7,165,923) | | | | | | | | |
| Operating Income (Loss) | _ | 2,148,674 | (1,563,471) | _ | _ | _ | _ | _ | _ | _ | _ |
| Non-operating income | | | | | | | | | | | |
| (expense), net: Loss on debt | | | | | | | | | | | |
| extinguishment | _ | _ | 373,495 | _ | _ | _ | _ | _ | _ | _ | _ |
| Interest expense, net | _ | _ | (210,753) | _ | _ | _ | _ | _ | _ | _ | _ |
| Other non-operating | | | (===,:==) | | | | | | | | |
| expenses, net | _ | _ | 741,000 | _ | _ | _ | _ | _ | _ | _ | _ |
| Reorganization items | | | (1,750,139) | | | | | | | | |
| Total Non-operating income | _ | _ | _ | _ | _ | | _ | _ | _ | · <u> </u> | _ |
| (expense), net: | | | (846,397) | | | | | | | | |
| Income (loss) before income | | | | | | | | | | | |
| taxes | _ | 2,148,674 | (2,409,868) | _ | _ | _ | _ | _ | _ | _ | _ |
| Income tax expense | | | (113,769) | | | | | | | | |
| Net Income (Loss) | | 2,148,674 | (2,523,637) | | | | | | | | |
| | | | | | | | | | | | |